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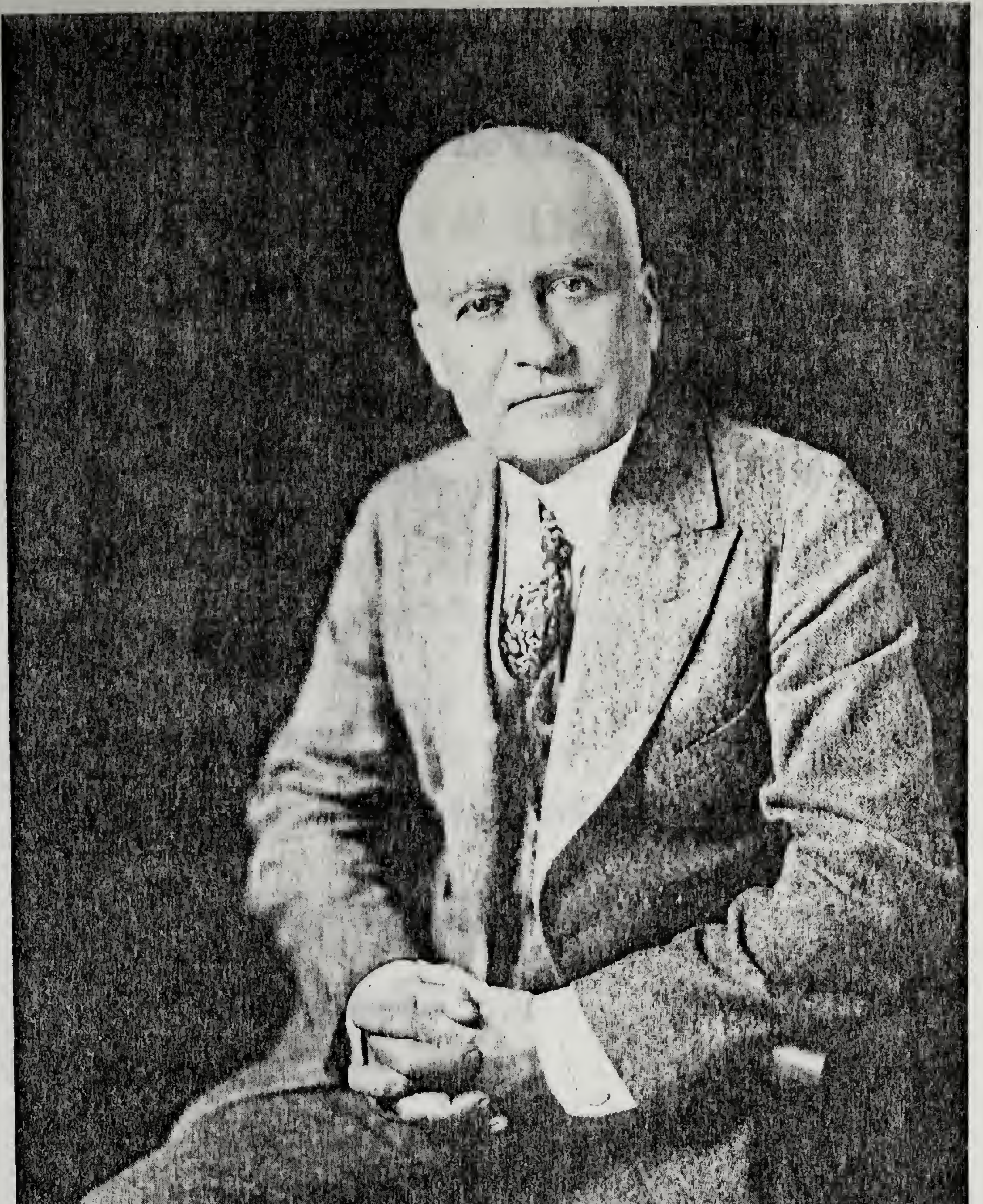

Jo. W. Armstrong

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INTRODUCTION

Time Was, When America Bred Real Men

THE story of the life of Judge George W. Armstrong is a picture of America at her best. During the last half of the nineteenth century and for about thirty years of the present century, our Republic was generally governed by individuals of the character and blood of those stalwart leaders who conceived and organized it. Judge Armstrong belonged to that courageous lineage.

While small groups of Un-Americans were sometimes found assembled in our growing cities, their influence was local and not strong enough to be a menace. In the few cases where they did exist, they were called by their right name—anarchists—an appellation that never lost its true and degrading significance. Time was, when an individual called a communist or socialist could not hope to command the respect of his associates. Now all this is changed as we find these creatures throughout all classes of society. Today a notorious communist coming to town, can speak in the best places, where too often his treasonable remarks advocating the destruction of our form of government bring forth applause. Our Republic can not long exist under such circumstances, and unless there is a house-cleaning from coast to coast, as Judge Armstrong advocated and fought for, our Republic will pass as have all others before it, and for the same reason.

Many things contributed to make the life and character of Judge Armstrong outstanding. In his strong body flowed the blood of his Scotch ancestors who lived under rigorous conditions on the border where they were often engaged in combat. Only the strongest survived. Of these, some were given grants of land in Ireland, and from there they came to America.

Judge Armstrong was born in Texas in 1866, and as a youngster played his part nobly in turning virgin fields and forests into farm lands. The fight to make nature conform to the needs of man was not easy. The day's work began at dawn and ended only when storm or darkness drove the workers indoors. In his early years Judge Armstrong's ambition was to be a farmer possessing one thousand acres. He lived to own more than 40,000 acres with over 5,000 under cultivation. When he decided to become a lawyer he doubled his efforts and concentrated on his studies so that he was able to win his degree in half the regular period. That was characteristic of him, throughout his whole life.

The greatest pleasure which the Judge had in life, was in assisting a deserving friend or in helping a worthy cause. He studied thoroughly the plans of those who would destroy our Nation, and he took an active part in exposing their treason and in assisting patriots over the land who were battling to save us. He wrote extensively in exposing conditions that existed for twenty years in a period when we had been governed by administrations infiltrated, as they have been, by governmental appointees who planned our destruction.

So powerful are these individuals that they exercise great control over the national press, and by skillful propaganda they have poisoned the minds of our citizenry. Many of these leaders are foreign born, hardly speaking

Many things contributed to make [illegible] of Judge Armstrong outstanding. [illegible]

Judge Armstrong was born in Texas in [illegible], and as a youngster [illegible]

[illegible]

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our language. To attack them and their plans takes character and courage, all of which Judge Armstrong possessed in abundance. Unfortunately, these enemies have become so powerful that few of our political leaders today dare attack them openly. This applies particularly to the Zionists, as Judge Armstrong pointed out so clearly and fearlessly in his writings. The fact is, there can be no advance in civilization over the world; no hope for an enduring peace, until this problem of Zionism has been brought clearly into the open, fully discussed and settled for all time on a world-wide basis. Judge Armstrong spoke out and acted during a period when it was dangerous to be an acknowledged patriot; when Americans of his fine type were being smeared in an effort to destroy their characters before the world, and when witnesses against the enemy were being openly intimidated.

When history is honestly reviewed, no man will be considered great who just rode along with the rabble, accepting all the mob had to offer. Only those, who, like Judge Armstrong the Texan, had the courage to stand up and fight the evils of their day, will be listed as truly great.

Geo. Van Horn Moseley

George Van Horn Moseley
Major General, U. S. Army, Ret'd

January 1st, 1958

I

Ancestors

I AM A NATIVE Texan and my mother was a native Texan. My father, Rev. Ramsey Clarke Armstrong, was born in Alabama. My grandfather, John Everett Armstrong, was a country doctor and a large slave owner. He was a modest, courageous man. My Grandmother Armstrong was a very religious woman and a "shouting Methodist." It was no doubt largely because of her influence that their three sons became Methodist preachers.

Rev. Ramsey Clarke Armstrong

My father began his ministry as a Circuit Rider in Jasper and Newton Counties, Texas, and concluded it as pastor at Fort Worth. He was a zealous, religious man who prayed constantly, and never missed holding family prayer, morning and evening. He was a student all of his life. I recall his reading by pine knot fire in the summer time as well as in winter, and later by the little brass lamp.

In his unpublished memoirs, written in 1916, my father states:

> I am indebted to my brother E. L. for much that this sketch contains. He had the most wonderful intellect and his memory was the most remarkable and trustworthy of any one I ever knew. He was licensed to preach in 1857. He had the courage of his convictions, and never hesitated to seal his sentiments and stand by any

cause which he espoused. He was too honest to endure sycophancy, cant and hollow pretensions. He was kind in disposition and had a big heart full of love and sympathy which drew to him a large circle of friends. He and I were companions for many years, we were much together and were perfectly congenial. We often preached together and prayed together and shouted together.

My brother J. T. was also a man possessed of splendid natural ability. He taught school in early life, and in middle life became a local Methodist minister. He was gifted as a writer, positive in his character, and a man of great courage.

I shall now proceed to quote from my brother E. L. until I come within the range of my own memory and authenticated facts:

About the year 1750 two brothers, John and Edward Armstrong, sons of JOHN ARMSTRONG of Ireland, came from Ireland to America. They were both soldiers in the Revolutionary War. John settled at Norfolk, Virginia. EDWARD ARMSTRONG, my great grandfather, who was born in Ireland about the year 1730, settled at Wilmington, North Carolina. He married Mrs. Milly House, a widow with one child, a son. Edward Armstrong and his wife became the parents of six children. Edward died after 1785 in Duplin County, North Carolina. My great grandmother, Milly House Armstrong, was born in 1738 and lived to be 102 years old. She died November 28th, 1840, in Wilcox County, Alabama. She was a small, active woman, and never sick. She became hard of hearing when old. At one time she was blind, but her sight returned so that she could see to read without glasses.

My grandfather, THOMAS ARMSTRONG, was born June 4th, 1782, in Duplin County, North Carolina, and died September 12th, 1858, Jasper County, Texas. As soon as he was old enough to

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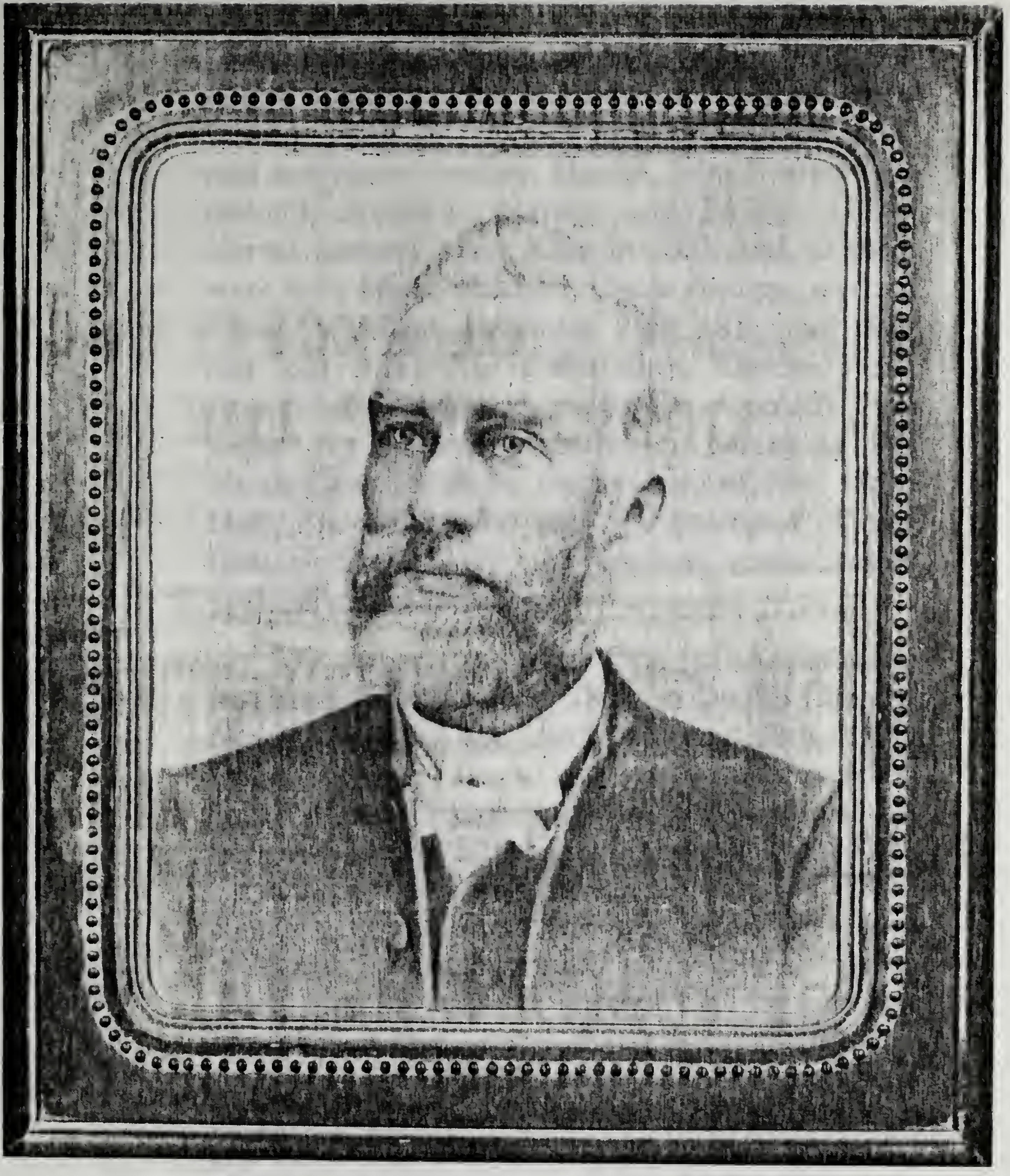


Rev. Ramsey C. Armstrong

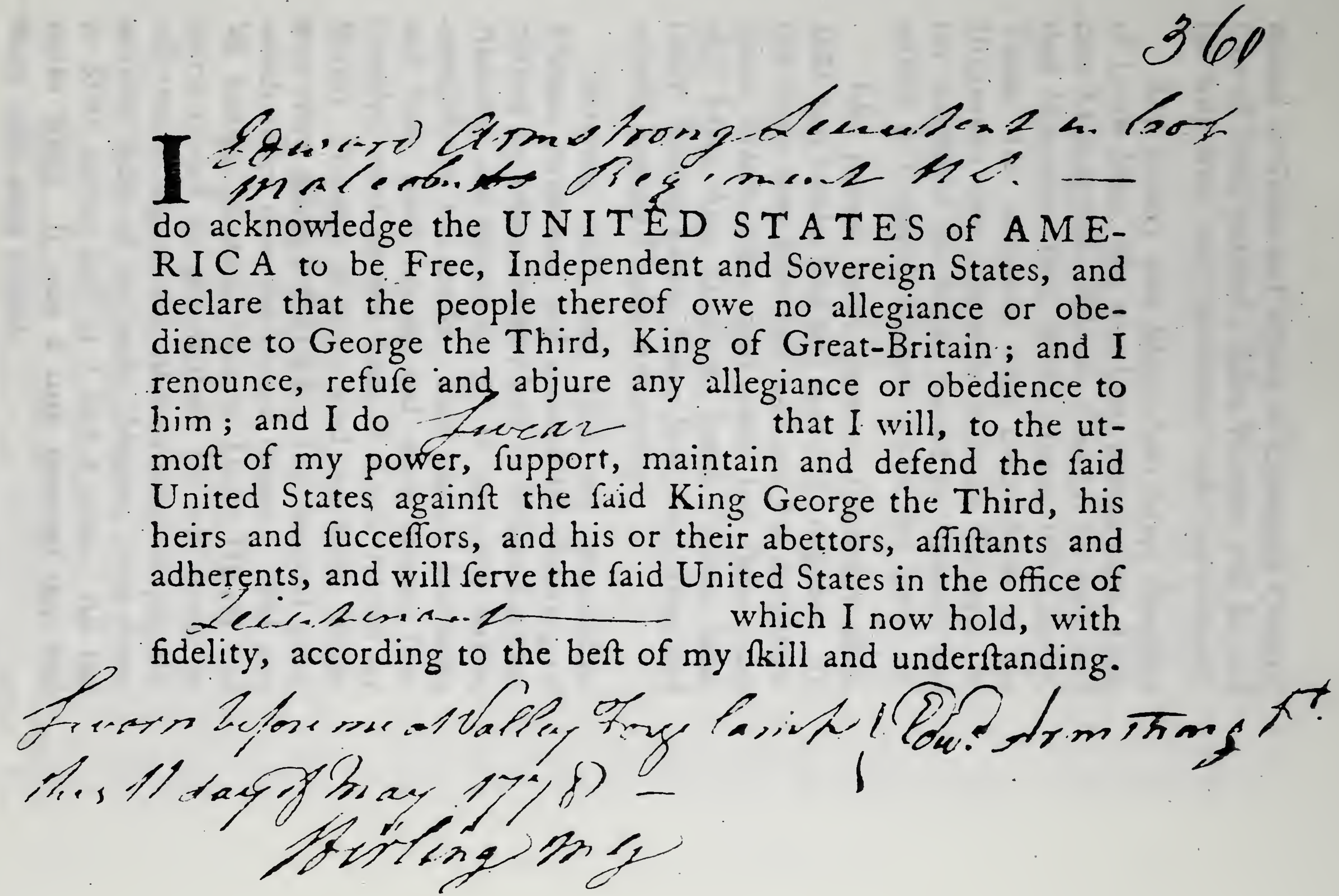
work, his mother bound him to a man to learn the saddler's trade, where he continued until near the age of eighteen years. He was married June 3rd, 1800, in Duplin County, North Carolina, to Miss Rachel Cooper, who was born in 1784 and died January 12, 1828. Five of their ten children married and raised families: Harvel, John Everett (my father), Andrew, Nancy, and Emily. Uncle Harvel married Mary King in 1823, and to them were born fifteen children; Uncle Andrew married Mary A. Mann, December 21st, 1843, and they had four sons. My grandfather, Thomas Armstrong, often heard Lorenzo Dow preach. He joined the Church in early life before he left North Carolina, under the ministry of Rev. Hope Hull. He was a good man and possessed of considerable ability. Of his grandsons, seven became preachers, all Methodist.

My father, Dr. John Everett Armstrong, was born February 13th, 1804, in Duplin County, North Carolina, and died February 28th, 1870, Jasper County, Texas, and was buried in Magnolia Church Cemetery east of Jasper, as was his father. Both my father and grandfather loved the Church and paid liberally to its support. Their homes were homes for the preachers. They kept up family prayer, and both were able in prayer. They were prompt to attend Church services. My brother E. L. states that his earliest recollection is of prayers and songs at home, and that he yet remembers the preachers who lived near us, and those who visited us as pastors and presiding elders in his early years:—A. C. Ramsey, long noted preacher in the Alabama Conference, and Uncle Jim King, were our neighbors; also William Sampeh.

When my father, John Everett Armstrong, was about three years of age, his parents made the trip horseback from North Carolina to Suggsville,

Clarke County, Alabama (then Mississippi Territory), he in his mother's lap, his brother Harvel riding behind his father, and their goods were transported on three pack horses strung out, one following the other. They waded streams, climbed hills, following only a blazed trail through a dense wilderness. Soon after they reached Suggsville the Indians went on the warpath and all settlers were compelled to go into forts. Grandpa (Thomas Armstrong) and family were in St. Stephens Fort, not far from Fort Mims (where all the occupants were massacred). He was in the Battle of the Horseshoe (War of 1812) with Capt. Sam Dale. After the war my grandfather moved to Conecuh County, Alabama, near Fort Claiborne, where he lived several years before moving to Wilcox County, Alabama. Their nearest trading point was Pensacola, Florida, which was then under the Spanish government. It was illegal to buy from or sell to them; but sugar, coffee and calico were absolute necessities to the northern Alabama settlers, so they traded anything they had for what they most needed.

After my grandfather, Thomas Armstrong, my father, John Everett Armstrong, and my Uncle Harvel moved to Wilcox County, Alabama—my great grandmother, Milly House Armstrong, her eldest son Billy House, and her youngest son Andrew Armstrong, with two married sisters named Stanford and McCann, all came and settled near us in Wilcox County. When my grandfather, father, and Uncle Henry Stockman left Alabama for Mississippi in 1843, these and other kindred were left in Wilcox County. Uncle Andrew Armstrong afterwards moved to Louisiana where he died. He had two sons, Thomas Y. and Henry, and three daughters; one married John Sessions and another Russell Waters. I corresponded with my cousin Thomas Y. Armstrong for several years. He had two sons who



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I Edward Armstrong Lieutenant in Col. Malcolm's Regiment &c. — do acknowledge the UNITED STATES of AMERICA to be Free, Independent and Sovereign States, and declare that the people thereof owe no allegiance or obedience to George the Third, King of Great-Britain; and I renounce, refuſe and abjure any allegiance or obedience to him; and I do Swear that I will, to the utmoſt of my power, ſupport, maintain and defend the ſaid United States againſt the ſaid King George the Third, his heirs and ſucceſſors, and his or their abettors, aſſiſtants and adherents, and will ſerve the ſaid United States in the office of Lieutenant which I now hold, with fidelity, according to the beſt of my ſkill and underſtanding.

Sworn before me at Valley Forge Camp | Edwd. Armstrong Lt.
this 11 day of May 1778 —
Stirling M G

Oath of Allegiance to United States
Signed at Valley Forge, May 11th, 1778 by Edward Armstrong, Lieutenant in Col. Malcolm's Regiment, U. S. Army, and sworn to before W. A. Sterling, Major General

moved to Texas and settled in Limestone County. One of them married a Miss Hooper, and he and his wife were both converted under my ministry.

My mother was Mary Ann May, daughter of Lewis May. She was born March 13th, 1804, near Milledgeville, Baldwin County, Georgia, and died November 18th, 1879 at Irene, Hill County, Texas. Her ancestors were descendants of the Huguenots who came early to South Carolina. In her childhood her family moved to Alabama and settled in Conecuh County where she grew up.

My parents were married December 29th, 1822, and lived a long and happy life together. To this union were born four sons and five daughters: James Everett (who died when but three years old); Mary Ann; Elizabeth; James Thomas; Sarah Emily; Everett Lewis; Susan Jane; Catherine; and myself, Ramsey Clarke Armstrong.

Between 1828 and 1832 my grandfather Thomas Armstrong and some of his children, including my father, bought land in Wilcox County, Alabama, and moved on it. It was very fertile, especially on the creeks. They opened fine farms and built good houses and made money fast. Grandpa went on the notes of Uncle Harvel for $9,000. Property of every kind was high. Negro men were selling for $1,500. The financial panic which swept over the United States in 1841 and '42 brought financial ruin to Uncle Harvel and nearly ruined my grandfather. He was forced to sell twelve negroes and other property to pay the security debts of my uncle. Negroes went down to $350; cotton sold at 3 and 4 cents. All the banks failed. It was a dark financial day and many men were ruined.

My grandfather became very much dissatisfied with his surroundings and persuaded my father and Uncle Henry Stockman to sell their farms, which they did in 1842, and left Alabama. They

started to move to Arkansas when I was but a month old (November, 1842). In those days the only transportation was across country in wagons usually drawn by oxen. Finding that they would reach their destination too late to make a crop, they stopped in Hinds County, Mississippi, in February 1843, where they rented land and made a splendid crop of cotton and corn.

In January 1844 they left Mississippi for Ouachita County, Arkansas, arriving there the last days of February 1844, where my father settled in the midst of an almost trackless wilderness. He had to cut a road four miles to reach his section of land, which the United States Government sold for one dollar per acre in five year installments. Our market was New Orleans. My father went for all the families of the colony, to New Orleans, and purchased supplies. Strict economy was practiced to make the supplies last through the year. We had one great advantage, however; the woods abounded in bear, deer, turkey, and smaller game, and the streams with fish. We remained in Arkansas until the fall of 1849.

I now drop the history as given by my brother E. L., except to quote him in some things I may not remember.

My father, Dr. John Everett Armstrong, moved from Arkansas and arrived in the neighborhood of Pinetucky, Jasper County, Texas, December 12th, 1849. He purchased his home of 1,100 acres of land from Serrod Wright. The place was settled by Wright in 1818. I was seven years old when we moved to Texas. My father remained on this place about three years then traded it to Mr. John Blewett and settled two and a half miles from the town of Jasper. To persuade my grandfather Thomas Armstrong to move from Arkansas to Texas, my father sold him this place and bought a tract of unimproved land two miles distant, which he improved.

Dr. and Mrs. John Everett Armstrong

[illegible]

Mrs. Ramsey C. Armstrong

[illegible]

I always had literary aspirations and was always glad to go to school. I went to McKinzie College, situated near Clarksville, Red River County, Texas, a distance of not less than two hundred miles, just after I was seventeen, riding horseback. I never had traveled alone before, so I had a long lonesome trip across some dreary, desolate country, and felt at times a little uncomfortable, but made the trip there and back without any misfortune.

I was engaged to be married to Miss Matilda M. Smyth, daughter of Geo. W. and Frances M. Smyth, in November 1860, but the war came on so that our marriage contract was not consummated until May 11th, 1864. At that time I was Chaplain of the 9th Texas Cavalry of the Confederate Army.

I rode horseback from near Canton, Mississippi, to Jasper County, Texas. I traded my horse, bridle and saddle on the east bank (for one on the west bank) of the Mississippi River, relying upon the word of the man who owned the horse as to his value, etc., but I was homeward bound and small matters did not stand in the way, and the boat in which we were to cross the river was too small to permit the swimming of a horse after it. My comrades sold their horses at a very low price. We crossed the river in the night, in a small boat barely large enough to carry three persons, besides the two negroes who rowed the boat. It was the night of April 1st, 1864, at a point just above Brewingsburg. In company with another young man I made the trip from twenty-five miles west of the Mississippi to the Sabine River, across the country. We there parted company and the balance of the trip I made alone.

While at home I was married, as before stated, on the 11th day of May, 1864, and remained at home seventeen days after marrying and then returned to my command. Frank Smith married

my wife's cousin the 8th of May. We returned to the army together, in company with two others as far as the Mississippi River where we got separated from them. We sat in a boat side by side and held our horses' heads close to the side of the boat, and swam them across the river. Two negroes rowed the boat. During the time we were gone from the command it had moved from Mississippi to Georgia, so we traveled from Jasper County, Texas, to a point near Atlanta, Georgia, horseback, in June 1864, without encountering any serious trouble.

At the beginning of the Civil War I joined the Jasper Blews, an infantry company commanded by Capt. (Rev.) D. M. Stovall. I was elected third sergeant. We understood that we were to soldier on Pelican Island when we left home, which was represented as being one mile wide and seven miles long. This island is situated near Galveston. But instead of going there we were sent to Pelican Spit, which was a mere sand bar of about five acres without a sprig of vegetation on it. Two Irish companies were on duty there. Conditions were very unfavorable. Several of us were not willing to settle down for twelve months, our term of enlistment, on such a small island, exposed to floods and without protection from the enemy's gun boats in case of attack. So we determined that we would not muster into service unless we were assured that we would not be kept there. Being informed by the Captain that there was no prospect of a change, I, in company with eighteen others, among whom was my eldest brother, returned home, intending to join the cavalry. This was in the fall of 1861.

In the spring of 1862 in the town of Jasper, I was mustered into service at the age of nineteen. On March 6th, 1862, I, with eighty-five others, left Jasper as recruits to the Lone Star Rifles, a

cavalry company, which was Company E of Hebert's Brigade, Price's Division. We joined Price's Division at Camp Horsehead, Arkansas, on March 28th. This Division soon crossed the Mississippi River, camped near Corinth, Mississippi, and became a part of the Army of Tennessee, commanded at that time by General Beauregard. The First Texas Legion was organized, which was then fourteen hundred strong. J. W. Whitfield was elected Colonel. The Legion composed a part of the Texas Brigade which was commanded at first by Hebert, then by Whitfield, and later by L. S. (Sul) Ross. We were first cavalry, then dismounted and served as infantry, then remounted. After being remounted we became a part of W. H. Jackson's Division. Lieut. Gen. Van Dorn, who had command of the cavalry in the Army of Tennessee, was a brilliant officer.

After serving in the ranks of the Legion for seventeen months, I was transferred August 1st, 1863, to the Ninth Texas Cavalry Regiment, commanded by Col. Dudley W. Jones, and was promoted to the Chaplaincy of the Regiment, in which capacity I served until the close of the war. While in the ranks I participated in the battles of Iuka, Hatchie Bridge, Thompson Station, Oakland, Davis Mill, Holly Springs, etc. While Chaplain I was often under fire although I did not engage in the battles.

I was licensed to preach on February 9th, 1861, in the town of Jasper. As I was Chaplain I was at a disadvantage, being only a licentiate, so I applied to the Mississippi Annual Conference, convened at Kosciusko, Mississippi, under the presidency of Bishop James C. Andrews, and was ordained Deacon, November 8th, 1863.

At the close of the war I engaged in teaching school and farming. I settled a place on the Jasper and Town Bluff Road, two miles from the Neches

River. Here I lived and taught school and farmed, for three years. I then moved to the Peach Tree neighborhood six miles from the town of Jasper, where I had another farm opened and taught school two years. I improved both these places, doing most of the building with my own hands.

I taught school five years. Sometimes I had to study at night to be well prepared to teach advanced classes the next day. I also studied and taught bookkeeping. I have studied hard since joining the Conference, which was in 1872—almost forty-four years ago. I joined the Chautauqua Literary Circle when it was organized in 1878 and graduated with the first class in 1882. I then took the White Seal course. I also joined the Chautauqua *School of Theology* when it first opened, and graduated with the degree of Bachelor of Divinity. To do this I had to stand an approved examination in six departments, to-wit: Hebrew and Old Testament; Greek and New Testament; Biblical and Doctrinal Theology; Ecclesiastical History; Homiletics and Pastoral Theology; and Christian Science; Life and Literature. It required hard study and nine years' period to complete the work, but during that time I was four years in stations and four years on the Waxahachie district. During that period it was necessary to devote much time to the preparation of sermons, general reading and writing, and the various detail work incident to my ministerial obligations. These nine years were well spent, aside from the information gained, the mental discipline was worth while, and then the self reliance and confidence solidified my mind. I have found great pleasure in reading the Bible in the original text.

In 1872 I was admitted on trial into the traveling connection in the East Texas Conference convened at Tyler, Texas, and presided over by Bishop Keener. I was appointed to the Newton

[illegible]

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Circuit which I served three years, 1873, '74 and '75. This was a sparsely settled country. My circuit extended from the northern boundary of Newton County seventy miles south, including the entire width of the county. I had eleven regular appointments and made the round monthly on horseback, preaching some on week days and nights. I asked for and received the Jasper Circuit, my home county, in 1876. In October of that year I moved to Hill County and transferred to the Northwest Texas Conference, and was assigned to the Milford Circuit which I served two years.

My brother, James Thomas Armstrong, and I, founded the town of Irene in Hill County, Texas. I served Ennis and Palmer in 1879; the Mexia Circuit in 1881, '82, and was sent from there to the Waxahachie station in 1883. Then I was assigned to the Waxahachie district four years, and Corsicana station in 1888 and 1889. I served First Methodist Church in Fort Worth in 1890, was assigned to the Waco district through 1894, and the First Methodist Church of Weatherford 1895 through 1898. At the close of my quadrennium at Weatherford I was sent to Mulkey Memorial Church, Fort Worth, which I served 1899 through 1902.

I was sixty years old at the expiration of my pastorate at the Mulkey Memorial Church, so I builded a home in Fort Worth and settled my family, resolved not to take another pastoral charge. I asked for, and was granted a supernumerary relation in 1903. But in a few weeks the Board of Trustees of the Polytechnic College unanimously elected me financial agent of the College, and I served in that capacity 1903 through 1908. I then refused to serve any longer. During that period it was very difficult to secure funds for educational purposes, and particularly so for Polytechnic College, as it had much opposition in

the Conference and was fought on every part of the ground by Southwestern University (at Georgetown). Besides, there was an understanding that I was not to solicit large sums from the friends of the school in Fort Worth, and receive any money that Brother H. A. Boaz would likely collect, so I was restricted and hemmed in.

I have labored hard all these years, and witnessed the conversion of thousands of people and additions to the Church. I was a member of the Board of Trustees of Polytechnic College from its foundation, a charter member, and remained with it until we turned it over to the Church Commissioners in the readjustment of our educational policy in the State. I gave much time to the school. For a long while I was vice president and had many responsibilities to meet. I made the first talk that was ever made to secure the campus, and I may say was instrumental in securing the campus. I presented the application of the trustees to the Northwest Texas Annual Conference, convened at Abilene in November, 1890, to launch the enterprise. I preached the first Commencement sermon, and also the evening sermon, to the young people. I have also delivered the literary address at one of their Commencements, held one revival meeting for the school, and have taken part in several openings of the school.

I have felt, and do feel, an abiding interest in the institution, and pray God's blessings upon it.

I am the author of the books, *The Sabbath Compendium*, *Romanism vs. Protestantism*, *The Sabbath as a Civic Institution*, *Christian Science Exposed*, and others; also *Children Cursed for the Want of Parental Restraint*, a sermon published by request of my Church Conference at Weatherford, and many other articles on various subjects, both for the Church papers and also for the secular press.

> My wife has proven true and has been in reality a helpmate. She has faithfully done her part for me and the children. I have tried to do my duty to my God, my family, the Church and the world, but I have fallen far short.
>
> R. C. ARMSTRONG

* * *

I regret that space forbids my quoting further from the interesting memoirs of my father.

My father says of himself that he was born October 4th, 1842, in Wilcox County, Alabama; (he died July 9th, 1933, and was buried at Corsicana, Texas;) that on May 11th, 1864, he was married to Miss Matilda Moseley Smyth (who was born February 12th, 1840, and died January 14th, 1920); and that they had "six children, of whom we are fond and proud": George W. (myself), born January 26th, 1866; Mary Frances, born February 1st, 1869; Leola Matilda, born January 30th, 1871; Ramsey Clarke, Jr., born February 5th, 1874; Sarah Emily, born October 7th, 1875; and Eva Roberta, born November 11th, 1878.

In his book, *Texas Under Many Flags*, Clarence R. Wharton says of my father:

> Old family names representing a vigorous, sturdy stock, are well remembered in southeastern Texas through many generations, especially when, as in the case of the Armstrongs, signal achievement along many lines is attached. The Armstrongs of Scotch-Irish origin, on coming to America were a valuable contribution to early colonization. They have been identified in various ways with the development of the State and always have maintained high places as citizens. For many years Fort Worth has been the home of an honored and esteemed descendant in the person of Rev. Ramsey C. Armstrong, who, for

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almost seventy years has been a minister in the Methodist Episcopal Church, South . . . For years he was a well known figure in the Conference of the Church and took a prominent part in all Church matters pertaining to the Fort Worth and Waco Districts . . . Although the Rev. Mr. Armstrong has led a busy life for so many years and is now practically retired from the ministry, he by no means has lost interest in public affairs or in his fellow-men. Age has touched him kindly and he still enjoys the companionship of his family, friends and neighbors.

On the death of my father I paid him the following tribute, which was published in The Corsicana *Daily Sun*, August 7th, 1933:

Reviews Life Work of Pioneer Texas Methodist Minister

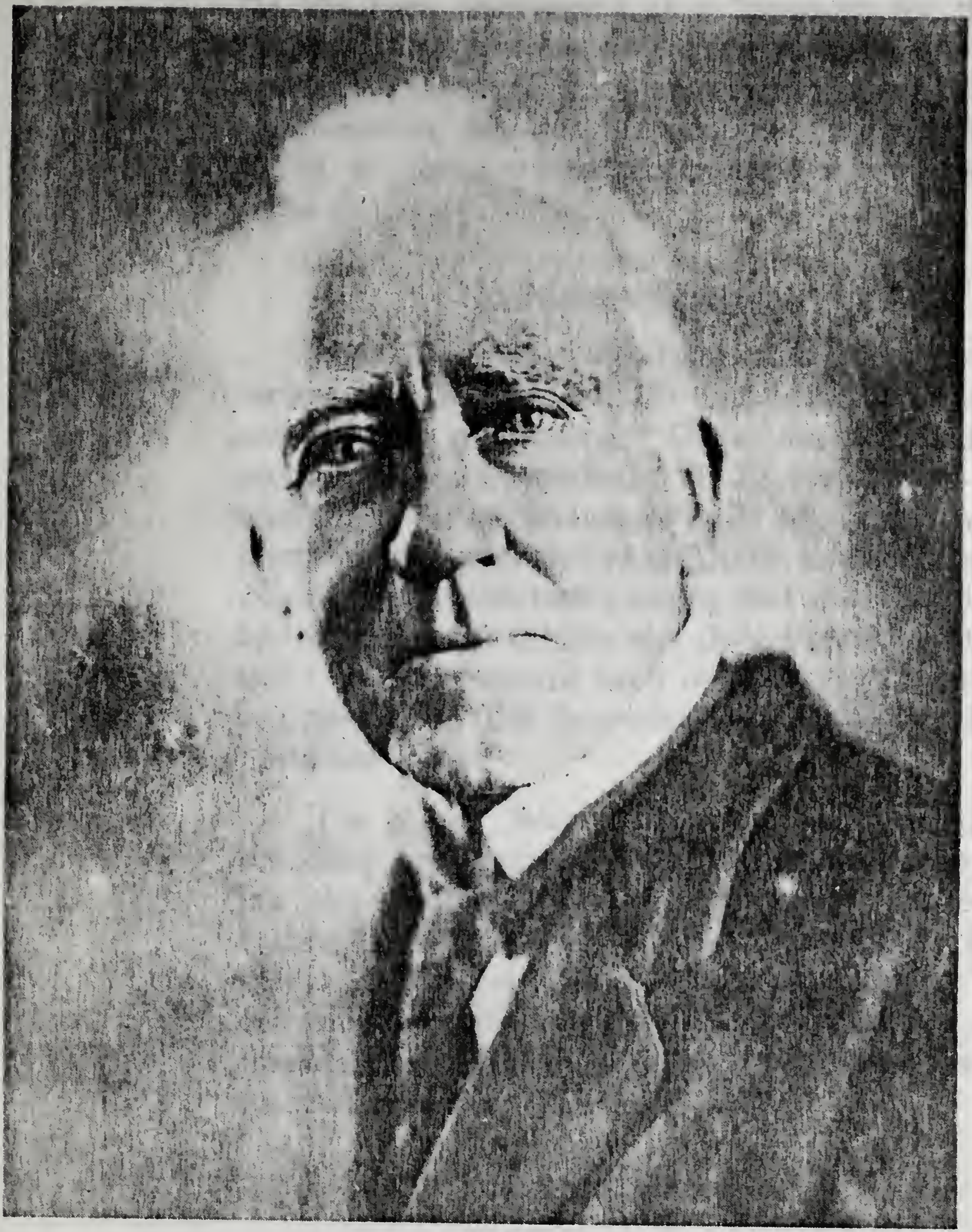
The Daily Sun has received the following interesting and informative story of the life work of the Rev. Ramsey Clarke Armstrong, pioneer Texas Methodist Minister:

Fort Worth, Texas
July 31st, 1933

The life work of my father, the Rev. R. C. Armstrong, who died a few days ago at the age of ninety-one years, deserves more than passing notice.

He entered the Confederate Army at the age of seventeen; he became Chaplain of his Company, and later of his Regiment. Upon the conclusion of the war he became a Methodist "circuit rider" in East Texas, later moving to Hill County where he continued his ministry as circuit rider and stationed preacher at Irene, Mexia, Ennis, Waxahachie, Corsicana, Waco, Weatherford, Fort Worth and other points.

He served his Church and his Master with the zeal of a crusader for more than seventy years,



Rev. Ramsey C. Armstrong, B.D.

[illegible]

during which time he never failed to meet an appointment or measure up to a responsibility. He has been represented as a "crusader for the Sabbath," but he was more than that: he was a crusader for all of the ten commandments, for righteousness, and for his religion. He believed in all of the commandments and he observed them all.

No Middle Ground

With him right was right and wrong was wrong, and the Bible was the one and only standard of right and wrong. There was no middle ground and no compromise. If he ever sinned it was the sin of intolerance of evil. My gentle and saintly mother was always charitable to the sinner. No one ever committed a wrong that she could not find an excuse for it. She was always my advocate, and I was in constant need of her services, for I contributed to the proverbial reputation of the "preacher's boy."

The Civil War interrupted my father's schooling and prevented his obtaining in early life the education that he so much desired. During the entire period of his long ministry he was a methodical and an assiduous student. I can remember his reading by pine knot fire in summer time in East Texas, then later came kerosene oil with the little brass lamp.

Habits Regular

It was his habit to devote the entire morning to work in his study, and the afternoon to visiting the sick and the membership of his Church. For many years at exactly ten o'clock every morning my mother took him a cup of hot coffee, until he decided that coffee was injurious to him. He then quit it. He did not "taper off" to fall back again, as most of us do, but he never thereafter tasted it.

He is the one and only man I have ever known who could set a task for himself and perform it day after day and year after year without deviation. After he was thirty years old he took up a course of study which he pursued with diligence and completed with honor.

A dyspeptic in his early manhood, he built a robust constitution through his iron will and diet and exercise. At eighty-five he drove his own car, could ride horseback or walk all day long, and could see to shoot without glasses—and he was a good shot.

BELIEVED IN PRAYER

He believed implicitly in the efficacy of prayer, and he prayed constantly. He held family prayer night and morning during fifty-five or sixty years of my recollection. He would have us children read aloud, the verses of the Bible, while he read silently the original Hebrew text, and it was a rare thing that he did not keep up with us and that we had to read a verse a second time.

While the last thirty or forty years of his ministry was in cities, in churches with pews, choirs, etc., it never seemed to me that he quite fit in with that character of ministry. He delighted in the camp meetings with the brush arbor, the testimonial meetings, the love feasts, the hallelujahs and shouting. There he was unrestrained by conventionalities, and there he preached great soul stirring sermons that touched the hearts of men and women.

What lives he has influenced for the better, what good he has accomplished, no one except the Great Master will ever know. His whole ambition was to serve Him, and his whole life was one of consecrated, consistent, unselfish service. He valued life as an opportunity for service, and welcomed death when his work was done.

—GEO. W. ARMSTRONG

REVEREND AND MRS. RAMSEY C. ARMSTRONG
On their golden wedding anniversary

MY MOTHER

My mother's maiden name was Matilda Moseley Smyth. She was born in Jasper County, Texas, February 12th, 1840, the daughter of Geo. W. Smyth and his wife, Frances Grigsby Smyth. She and my father, Ramsey Clarke Armstrong, were married May 11th, 1864.

My mother was the finest, sweetest character I have ever known. She was even tempered, kind, gentle, charitable and forgiving. No one ever did a wrong that she could not find an excuse for it, while with my father right was right and wrong was wrong, and there could be no excuse for wrong. My mother was the most restraining influence in my boyhood.

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GEORGE W. SMYTH

My grandfather, George W. Smyth, was born May 16th, 1803, in North Carolina, and died February 21st, 1866, at Austin, Texas. When he was very young his father moved to Tennessee where they lived until 1817, when they moved to northern Alabama.

Sam Houston Dixon, in his book, *Men Who Made Texas Free*, devotes a chapter to "George W. Smyth, Patriot of the Republic and Signer of the Declaration of Independence," in which he says:

> Mr. Smyth was a type of the most lustrous pioneers of the Texas Republic. He was familiar with all the problems with which the colonists had to deal, in their efforts to establish civilization in the then Mexican State of Texas. Because of his indomitable energy and aggressiveness he was soon recognized as a most useful member of the colonies. He had fellowship with adversity, as did all those patriots who came to Texas at an early date; but his vigorous manhood and steadfastness of mind enabled him to overcome obstacles which to others, less determined, were insuperable.
>
> He early took a lively interest in the difficulties which bore heavily on the colonists, and gave unswerving support to them in their protests against the wrongs committed against them by the Mexican government. And when the colonists were driven to revolt he did much to arouse resistance against Mexican tyranny . . . He possessed a vision of the future that few possessed. He saw spread out before him a mighty empire—a land of many possibilities, that needed only the touch of industry to make it the brightest star in the constellation of nations.

The *Texas Magazine* of February 1912 published an article by Mrs. Lipscomb Norvell entitled "George W.

My grandfather [illegible]

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> [illegible]

> [illegible]

[illegible]

Smyth—His Service to Texas," from which I quote the following:

> At Murphreesboro, Tennessee, the influence of the college at that place developed powers and tastes not previously discovered. He (Geo. W. Smyth) rendered himself familiar with classical languages and learning, with general history, mathematics and exact sciences. He acquired a competent knowledge of both common and statute law. When his education was gained he returned to his father and entered on the cares of his farm. . . . From Alabama he came to Texas . . . where he met Miss Frances M. Grigsby. . . . They were married April 1st, 1834. . . . Afterward he built a home on his headright at Bevilport, Jasper County, Texas.

George W. Smyth was appointed Commissioner of Deeds under the Mexican Government, was later Land Commissioner of the Republic of Texas, and still later of the State of Texas. He was one of the signers of the Texas Declaration of Independence, of March 6th, 1836, that established a sovereignty which was recognized by the United States, England, France and Belgium.

My grandfather was appointed by President Mirabeau B. Lamar as Texas Commissioner in charge of the boundary line between the Republic of Texas and the United States. President Lamar wrote him May 13th, 1839, as follows:

> I invite you to this duty from no solicitation either of yourself or your friends, but am induced to do so from your long experience and acknowledged qualification as a mathematician, as well as your general character for probity as a man and fidelity as an officer.

By this survey of the boundary line there was saved to Texas a strip of land about six miles wide by 103 miles [illegible] following:

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> [illegible]

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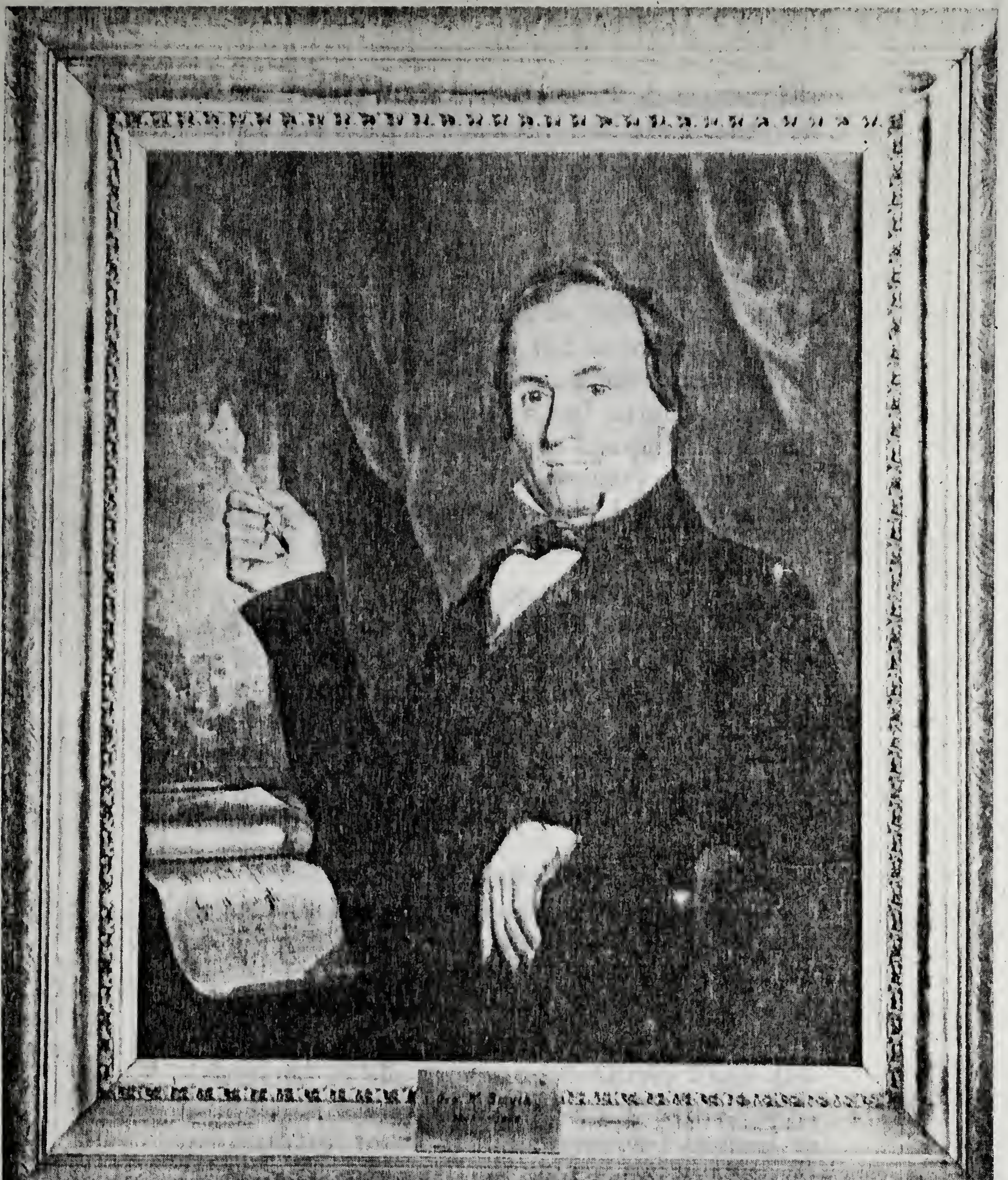
long, the United States having already had the land surveyed and sectionalized. When his work was completed Geo. W. Smyth returned to his farm in East Texas.

In 1844 he was elected a member of the Ninth Congress of the Republic of Texas and served the session of December 2nd, 1844, 1845 and the special session of June 1845. When the first congressional district of Texas was created in 1852 he was chosen as it's first representative to the Congress of the United States and served from March 4th, 1853 to March 1855.

George W. Smyth relates some interesting incidents illustrative of his character and of the times, in his memoirs, published posthumously in the *Southwestern Historical Quarterly*, Volume XXXVI, January 1933, from which I quote:

> JASPER, TEXAS
> September 18th, 1857
>
> I proceed to give you a few facts &c incidents relative to my humble history, though it will be confined to *facts* merely, for I can not pretend to enter upon an autobiography.
>
> I was born in the State of North Carolina on the 16th day of May, 1803. My recollection, however, of the Old North State is very imperfect, as my father emigrated to the State of Tennessee when I was but three years old.
>
> Here, I can not do justice to my own feelings without saying something relative to those kind and indulgent parents by whose care I was brought up; for though blessed with few of the advantages of education or fortune they were honest and industrious in an exemplary degree, and meritorious in all their domestic relations. My father, Andrew Smyth, was by trade a millwright and was of German descent, his father having been born in Germany. My mother,



Geo. W. Smyth

From a portrait in the State Capitol, Austin, Texas

Susannah Smyth, was of Scotch-Irish origin. My father resided in Tennessee until about the year 1817 when he emigrated to Alabama, where he remained until his death, which happened only a few months since. . . .

In 1820 or '21 I attended school in Maury County, Tennessee. Again in 1824 I spent about eight months at school in the same county, with William Williford as teacher, a man celebrated in his day as a mathematician; and certainly the best practical one I ever knew . . . I acquired the rudiments of some of the elementary branches of mathematics, which afterwards I improved considerably by the fireside at home.

In 1829, greatly in opposition to the wishes of my parents, I determined to try my fortunes in Texas, and on the 20th of January, 1830, like Columbus, I set out on my voyage into the unknown ocean of adventure. On the 11th of February 1830, I crossed the Sabine river, and on the 14th arrived in the town of Nacogdoches, Texas.

There was a great deal then, about the old town of Nacogdoches to excite the wonder of one so inexperienced; the three hundred Mexican troops who then occupied this post under Piedras, with their peculiar uniform and still more peculiar personal appearance—Their masses which they celebrated in the streets on Sundays, Their *fandangoes* in which the Priest and all participated, so contrary to all my pre-conceived notions of propriety—Above all, the great number of Indians of almost all tribes, who then frequented this town for the purpose of trading. . . . All were strange indeed to one who had so little experience in such matters. . . .

It was not my object when I arrived in Nacogdoches to remain there at all. My destination was Austin's Colony on the Brazos. . . .

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After remaining about a month I received from the Commissioners through Genl Chambers, an appointment as surveyor for what was then called "Bevil's Settlement."

About the 1st of April, 1830, I arrived at the house of John Bevil, Esqr, where Jasper now stands, and commenced my operation of surveying immediately, his survey having been the first. I was charmed with the appearance of the country about Jasper. The rich foliage of the Magnolia, the dense cane-brakes, then almost impervious—the perennial streams of water, together with the report of Judge Bevil concerning the healthiness of the country—captivated me. . . .

After remaining a short time with Esqr Bevil, I spent the balance of the season in the family of Joseph Grigsby, my future father-in-law. Here also I first became acquainted with her, who, for more than twenty-three years has been my faithful companion, and has shared with me all the good and evil incident to our common destiny. Nor can I leave Bevil's Settlement without giving you some agreeable reminiscences of those early pioneers. . . . The many acts of disinterested kindness and hospitality received at their hands have made impressions on my memory which will only cease with life itself.

I determined to take a tour by the way of Opelousas, Louisiana, and round by the coast route to Austin's Colony, which determination I carried into effect. . . .

When I arrived in San Felipe near the first of December 1830, R. M. Williamson, as the agent of Benj. R. Milam, was preparing an expedition to explore Milam's Colony on the Upper Colorado. I joined this expedition, and in a few days after my arrival at the Capitol of Austin's Colony was on my way to the land of Buffaloes and Comanches . . .

Arrived at Bastrop, we struck our camp for the night about half a mile below the town, intending the next morning to take up our line of travel for San Antonio. Our horses were hoppled out, our supper was cooked and eaten, and all seemed well. Shortly after we retired to rest on our blankets, our horses became restive, and from their repeated neighing it was evident they were scattered; still, no one seemed to suspect any mischief. In a short time all became quiet and we slept until morning.

Early in the morning we commenced the search for our horses. We dispersed in various directions. I took my course over the Post Oak hills to the east of the Town. After travelling some time I struck a fresh trail of horses—evidently ours. I pursued the trail alone for some distance and fell in company with our Mexican Jesus (pronounced Haa-sus), and we pursued it together. Near the little creek which runs just above Bastrop, the eagle eye of the Mexican descried a hawk's tail, such as Indians use for ornament, which he picked up, and turning short on the trail exclaimed with an oath (for they always learn to swear, if they learn any English), "—— Indians!" It was now evident that our horses were stolen by the Indians, and that, strided by these red gentlemen, they were far hence on their way to parts unknown.

All minds were now directed to fitting out an expedition in pursuit of the Indians, and all hands were busy in preparing for it. Horses were out of the question; the Indians had left the settlers in the same situation with ourselves, having stolen their horses as well as ours. One pony belonging to Mr. Tannehill alone remained; him we borrowed to pack our blankets, etc., and on the second day after our misfortune we started in pursuit on foot.

Our little company at the commencement consisted of eleven persons, viz: Col. Talbert Chambers; Ben Tannehill; Reuben Hornsby; Sam Brown; Folstan, a sailor; Quinn, a native of Ireland; Jesus, a Mexican; Walter Dutey; Laurance; and myself. Judge Williamson, from his crippled condition, could not possibly accompany us; he therefore very reluctantly remained behind. Two of our number turned back after several days unsuccessful pursuit, viz: Dutey and Laurance; the other nine of us continued in pursuit for twenty days, when every one becoming thoroughly satisfied of the futility of our chase, we retraced our steps and were ten days on the march before we again reached Bastrop. . . .

In looking over some old papers I find a copy of a letter written from Nacogdoches, to a friend in Alabama relative to a part of our history. I will quote a portion of it as it may not be without interest:

> After a considerable interval in which the affairs of the country have worn rather a confused aspect, I seize the present interval of tranquility to give you a short history of the principal events which have occurred since my last. I am apprised that it has been rumored in the U. S. that Texas is in open rebellion against the Mexican Government. This representation permit me in the outset to contradict; on the contrary every resolution which has been formed has been replete with respect for the constitution & constitutional laws of the country. But the repeated violations of that guarantee of our rights and privileges in the arrest by the military of commissioners sent by the State government for the purpose of putting Citizens in possession of their lands to which by the colonization laws they were entitled—the interference of the Military in the election of civil magistrates

in direct contravention of the constitution, & the overruling them by military force when elected—The arrest and detention of citizens & refusing to give them up to the civil Authority—The conferring upon an Individual (viz: Gen. Teran) an authority over Texas above the constitution & laws—And the evident tendencies of the government towards centralism & military despotism—But above all the duplicity and dissimulation under which the present administration had endeavored to conceal the real motives of its conduct by preserving the forms of the constitution while they annihilated its spirit; are the principal causes which have induced the people to take into their own hands the redress of their grievances. . . .

Another circumstance which gave a peculiar impetus to affairs in this quarter was the arrival off the mouth of the Brassos of Col. J. A. Mexia (an officer of Santa Anna) with 400 men & five vessels of war—He came under the pretext of suppressing rebellion in Texas, but with the real intention of promoting the cause of Santa Anna.

P. S. Since the above was written the declaration of the whole State was rec^{d}. In this place, this event happened at the Seat of Government about the same time of the declaration by the *Ayuntamiento** of Nacogdoches—The Government troops immediately evacuated every part of Texas—Marched to the Interior under the flag of Santa Anna—and were at the retaking of San Luis Potosi. These are some of the facts—What will be the final Catastrophe God knows.

"For the doctrine today which is loyalty Sound
Tomorrow may bring us a halter."

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*In Spanish government a municipal governing body or town council.

I continued the business of surveying in various parts of the country east of Austin's Colony until the first of April, 1834, when I was married to Miss Frances Mitchell Grigsby, my present wife; and thus was consummated an engagement of long standing. . . .

In the spring of 1835 . . . I received a letter from the Hon. C. S. Taylor Esqr informing me that the Political Chief of Nacogdoches had received a commission for me, as Land Commissioner, to issue land titles. This was wholly unexpected—Nothing could have taken me more by surprise. I had never solicited it or thought of it. . . . I continued in the discharge of the duties of that office until the 19th of December 1835 when the office was closed. . . .

On the 29th of January (1836) an election had taken place for delegates to a general Convention, for the purpose of declaring our independence, forming a Constitution, etc. And I, in my absence, was elected a member of that Convention. We met in Washington (on the Brazos) on the 1st of March 1836, and I bore an humble part in forming the "Constitution of the Republic." After the adjournment of the Convention on the 17th of March, I returned to my family in this Settlement.

In December 1836 I settled where I now reside (on Walnut Run near Beech Grove, Jasper County, Texas) and commenced opening a little farm and making other improvements necessary to the comfort of a family. In 1839 I was appointed by President Lamar as surveyor on the part of Texas to run and mark the Boundary Line between the United States and Texas. In the spring of 1840 I was appointed Commissioner on the part of Texas for running the same line. In June 1841 that work was completed, and I returned to my family in

> July of that year. In December of the same year I repaired to Austin and settled up my accounts of disbursements on the boundary line, with the accounting officers of the Government. From that time until 1844 my time was devoted to my domestic affairs: In that year I was elected a member of the Old Congress from this County and served the session of 1844, '45, and the special session in June 1845.
>
> In the year 1845 I was elected a member of the Convention from this County, which formed our State Constitution, and assisted in forming that instrument. In 1848 I was elected Commissioner of the General Land Office by the Legislature, and again in August 1849 by the people. In 1852 I was nominated as a Democratic Elector for President and Vice President, and cast one of the electoral votes of this State for President Pierce. In 1853 I was nominated by the Democratic Convention at Tyler for Representative to Congress from this Congressional District, and served out the 33rd Congress in that capacity.
>
> GEO. W. SMYTH

This ends the quotation from the memoirs of my grandfather, Geo. W. Smyth. He declined re-election to Congress in 1856, and ran for Comptroller of the State of Texas and was defeated by a few votes, because he was opposed to secession and to slavery. When, however, the South seceded, he sent his son to the Confederate Army. He died February 21st, 1866, about a month after my birth, and was buried in the State Cemetery at Austin, Texas.

In 1936 I attended the dedication of the monument erected by the State of Texas, honoring my Grandfather and Grandmother Smyth, on the site of their old home in Jasper County.

Mrs. George W. Smyth

My maternal grandmother, whose maiden name was Frances Mitchell Grigsby, was born September 13th, 1809, in Kentucky, and died March 5th, 1888, in Jasper County, Texas. She was the daughter of Joseph Grigsby and his wife Sarah M. Grigsby (*nee* Graham). She and Geo. W. Smyth were married April 1st, 1834. She was affectionately called "Murr" (a contraction of the word "mother") by all of her grandchildren; she was loved by all of them and by everybody who knew her. She always had presents for the grandchildren when they visited her.

The colored maid Drusilla who served my grandmother during her entire lifetime, was called Mammy 'Silla. She nursed "Murr" and her children and grandchildren. She survived "Murr" and lived to be almost one hundred years old, about seventy-five years of which were spent in "Murr's" service. Emancipation meant nothing to her. In accordance with "Murr's" request and Mammy 'Silla's wish, she was buried at "Murr's" feet in the family graveyard.

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The book, *Pioneer Women of Texas*, by Annie Doom Pickrell, contains a chapter devoted to "Murr" entitled "Mrs. George W. Smyth, born Frances M. Grigsby," from which I quote the following:

> Joseph Grigsby emigrated from Kentucky in the early twenties (of 1800). Along with the beautiful women of his family he brought money and plenty of it; he brought slaves too, and many of them; and he settled his family and his slaves on the league and *labor* of land granted him by the Mexican Government, located not far from our Beaumont of today, hard by the bank of the Neches River. He built the dwellings, his own, and quarters for the slaves, at a point on the river

which has ever since been known as Grigsby's Bluff. . . .

A vision of slaves always at hand conveys the idea of an idle mistress. . . . Descendants of slave-holding people in the South today must frequently refute the suggestion that Southern women knew little about real work. In the case of Frances Grigsby abundant proof is at hand. It is known that in that home on the bluff, master and mistress and slaves were all busy, and that Frances was required, with her sisters, to do a certain amount of labor, day by day, and every day as it came. They carded both wool and cotton, spun the carded article into thread, and wove the thread into cloth to be used in clothing the family and the slaves. Six cuts of thread Frances must card and spin day by day, or its equivalent in value in some other part of the cloth-making process. She must help too, with the cutting and sewing of garments for the slaves, for few negro women could be trusted to cut this precious cloth into garments, even for their own children. . . .

Frances became engaged to George W. Smyth, whose name is linked with Texas history. . . . After their marriage at Nacogdoches, April 1st, 1834, Frances and George began life in their log cabin home built near Indian Creek. Thither Frances brought the fruits of her labors, her own dainty clothes, her household linens and her counterpane, and two slaves given her by her father and mother. . . .

While Frances busied herself at home, her husband went about the establishment of a farm in the wilderness. He had land cleared and his efforts met with success—his broad fields increasing in acreage and in value, his slaves increasing in number until overseers became necessary; but woe unto any overseer who struck a negro—no

Mrs. George W. Smyth

[illegible]

matter for what reason—woe unto him who abused any negro after any form.

Frances, sharing her husband's ideas, aided him. And their children, six in all, growing up . . . realized many times the value of their mother's mind and her ability to speak it . . . She sympathized with her husband in his patriotic work. When the great wilderness of Texas began to lift its head in the hope of freedom, George W. Smyth, because of his previous training and his staunch character, became a leader among the patriots. He was a signer of the Texas Declaration of Independence, and that document duly signed Smyth put forth and joined the army . . . He served the young Republic in many ways . . . and was much away from home . . . Frances took up the farm supervision. The overseers respected her and the slaves in all quarters welcomed "de Missis" with a smile. . . .

Out of her abundance she gave freely to the needy, white or black; she ministered tenderly to the people about her—her neighbors and her slaves—and many had occasion to "rise and call her blessed." She determined that her slaves should not be denied the right to worship God as they saw fit, and she set apart land for their religious sanctuary, allowing them full time to build a house of worship. . . .

Frances rounded out her seventy-nine years of age. She met all trials in her life bravely . . . She sustained the loss of her distinguished husband . . . in service at the Reconstruction Convention in session in Austin in 1866 . . . He was buried in the State Cemetery among the noble dead in Texas; but Frances lies in the land of her young love, surrounded by the jasmine and the dogwood.

JOSEPH GRIGSBY

My great grandfather, Joseph Grigsby, was born September 27th, 1771, Louisa County, Virginia, and died August 13th, 1841, in Texas. He was the second son of Nathaniel and Susannah Grigsby. Nathaniel Grigsby served in the French and Indian War and the Revolutionary War, and received large land grants on warrants issued by the Commonwealth of Virginia in compensation of his military service; he died September 9th, 1801.

Joseph Grigsby was married June 28th, 1798 at Bardstown, Kentucky, to Miss Sarah Mitchell Graham, born June 28th, 1782, Nelson County, Kentucky. She was the daughter of Christopher Graham and his wife, who, prior to her marriage, was Miss Isabella Mitchell.

In 1828, Joseph Grigsby, who had become a very wealthy cotton farmer and slave owner, moved his family (his wife and eleven of their thirteen children), together with fifty slaves, from the Green River country of western Kentucky to Jasper County, Texas. After the Texas Revolution he moved to a place on the Neches River, thereafter known as "Grigsby's Bluff." It is stated in The *Story of Beaumont* that he was "the first man ever to plant and raise cotton in Texas." He served as Congressman to the Republic of Texas, in the Second, Third and Fifth Congresses, representing the Jefferson County District. He was one of the founders of the City of Beaumont, and owner of extensive farm lands as well as considerable city property.

The will of my great-grandfather, Joseph Grigsby, is an interesting and unique document in this day and age, and I therefore quote it in part, as follows:

THE REPUBLIC OF TEXAS
Jefferson County
August 1st, 1841

Know all men by these presents that I, Joseph Grigsby, of the County and Republic aforesaid, on the first day of August, in the year of our Lord 1841, being weak and feeble in body, but of sound and disposing mind, memory and discretion, and knowing that it is appointed for all men once to die, therefore make and ordain this, my last will and testament, as follows, to-wit:

First. I recommend my soul to God who gave it, and as for my worldly affairs, I will and bequeath as follows:

I appoint my beloved wife Sally Grigsby executrix of my estate; my son Enoch Grigsby and George W. Smyth executors of this my last will and testament.

Second. I will and bequeath all my negroes, horses, cattle, sheep, household and kitchen furniture, to my beloved wife Sally. Also the place where I now live, beginning at McKinney's town corner on the marsh, and on the bank of the Neches River . . . Also that portion of my land that I intended for my son Nathaniel . . . My beloved wife Sally is at liberty to give that tract (last mentioned) to any of her children that will come and reside on the same. She can and is hereby granted and bequeathed full power to make a good and valid deed, at her discretion. I want it understood that all the property willed and bequeathed unto my beloved wife Sally Grigsby except that tract (last mentioned) I will to her during her natural life or widowhood. If she should marry, I wish the property then to return to my sons Enoch and William Grigsby to be divided as here-in-after divided in this my last will and testament.

Third. I will and bequeath to my beloved daughter Susan Thompson, one negro man named Simone, also one woman named Dinah; since requested me to sell Linda which I did for one thousand dollars, and since I have paid my daughter Susan four hundred dollars I wish her to receive six hundred more out of my estate. . . . . .

Seventh. I will and bequeath unto my beloved daughter Frances Smyth, one negro girl named Salina. . . . . .

Tenth. I will and bequeath unto my beloved son Enoch Grigsby, one negro woman named Dice and her increase, also one negro man named Ben and one named Litton, and one child named Mariah. Also one tract of land lying on the Bluff. . . Also all the horses and cattle branded with his brand. . . . . .

Eleventh. I will and bequeath to my beloved son William Grigsby, one negro man named Sam, one named Phillip, and one woman Rebecca and her increase. Also one tract of land where I now live. . . Also all the horses and cattle in his brand. I also leave jointly to my sons Enoch and William Grigsby one-half of a league of land. . .

Twelfth. I will and bequeath to my grandson Joseph Grigsby Glenn, two hundred acres of land. Also one-third of a league of land on the Walnut Run in Jasper County, and the land joining his uncle, George W. Smyth. . . .

Seventeenth. I also give, bequeath and donate to my much esteemed and respected friend William Eddy, one negro boy named Witton.

Eighteenth & Lastly. I give and bequeath to my beloved children, sons and daughters equally, to be divided amongst them, all my lands and other property not herein before disposed of—to them and their heirs forever.

In Witness whereof I, Joseph Grigsby, have here unto set my hand and affixed my seal in the presence of the witnesses who have hereto signed the same in my presence, the day and year herein before written.

Joseph Grigsby

Witnesses:
J. O. Lawhan
Alexander Calder
S. L. Smith

My great-grandfather Joseph Grigsby died August 13th, 1841, and was buried in the family graveyard at Grigsby's Bluff on the Neches River.

II

Armstrong Family

The early history of the Armstrong Family was published in *Notable Southern Families*, from which I quote:

> The family of Armstrong derives its name from the following circumstance: An ancient King of Scotland had his horse killed under him in battle. Fairbairn, his armor-bearer, immediately grasped the King by the thigh and set him upon his own horse. For this assistance at such a critical moment the King rewarded him with lands on the Border, and to perpetuate the memory of so important a service, as well as the extraordinary manner in which it was performed, the King gave him the appellation *Armstrong* and assigned him for a crest an armed arm and hand grasping a leg in armor.
>
> The hero of the exploit, "Siward the Armstrong," Earl of Northumberland, first of the name and ancestor of the renowned Border family of Armstrong, was one of those stalwart figures who will never pass away from the pages of history and tradition. In his physical strength and prowess, wit and wisdom, loftiness of character, defiance of danger and death, he was remarkable. He was undoubtedly a Christian, for he built the Minster of York, but he reminds us of those old heroes of the Edda, from whom his ancestors were said to have descended. He acquired honor for England by his successful conduct of the only foreign enterprise undertaken during the reign of Edward the Confessor. (Johannes Brinston, Saxe Gramatieur, George Stephens).

Duncan, King of Scotland, was a prince of gentle disposition, and lacked the genius for governing so turbulent a country as Scotland, and one so infested by the intrigues and animosities of the great Macbeth. Siward embraced, by Edward's orders, the protection of the distressed royal family. He marched an army into Scotland, and, having defeated Macbeth in battle, restored Malcolm, Duncan's son, to the throne of his ancestors. This service, added to his former connection with the royal family of Scotland, brought great accession to the authority of Siward in the North.

Soon after his return from this campaign he was attacked by a fatal disorder. As he felt his end approaching he said to his attendants, "Lift me up that I may die on my legs like a soldier, not couching like a cow. Dress me in my coat of mail, cover my head with my helmet, put my shield on my left arm and my battle axe in my right hand that I may die under arms."

Ingulf's record of his death reads as follows: "In the year of our Lord 1056, Siward the brave Earl of Northumberland, departed this life and was buried in the cloister of the monastery of Saint Mary, which he had built without the walls of the city of York." Siward was a Dane and he was much beloved by his Northumbrians.

Siward married twice. His son by the first wife, called Young Siward in Macbeth, was killed by Macbeth in the battle of Dunsinmore. Siward married for his second wife Aelfled, daughter of Alfred, Earl of Northumberland, and through her acquired that title and great authority. The Northumbrians were of Danish extraction and rejoiced at being ruled by the great Earl who was of Danish blood. His son by Aelfled succeeded to the title, and his daughter by Aelfled married David I, King of Scotland.

Here is a list of the different forms of Siward's name: In the Irish records he was called the

Strong, in the Terwinney records he was called Fayborn and the Armstrong; in old manuscripts brought over by Armstrongs to North Carolina from Londonderry, Ireland, in 1711, he was called the Strong.

From Siward the Strong Arm the Armstrong clan is descended. The ancient Border family grew and flourished, and though, in the years and centuries that followed, they roamed afar, even as Siward himself roamed from his native land, they retained the spirit of Siward and were always bold, courageous, war-like and high principaled. Their adventures in the history of the Border are many and interesting. They fought in every war and after their emigration to America they participated in every war undertaken by the United States, from Indian fighting before the Revolution to the present time.

In the fifteenth century, Thomas Armstrong, fifth Lord of Maingerton, had four sons, of whom the eldest, Alexander Armstrong was the sixth Lord. He had seven sons. Thomas, the eldest, succeeded and was seventh Lord Maingerton, but the second son was called John Armstrong of Gilnockie. All the Armstrongs of Ireland in the seventeenth century are descended from him, and all the American Armstrongs who trace through the Scotch-Irish clan. He was Robin Hood of the Border, and the stories of his exploits run through all Scottish literature. Sir Walter Scott makes frequent reference to him.

It is an interesting fact that in the War Between the States, in which the Armstrongs of the Southern Clan fought on each side of the great conflict, that one regiment of Tennesseans was made up largely of Armstrongs and their kin, and that every officer was an Armstrong by name. Siward the Strong Arm therefore must be sleeping peacefully in his tomb after eight centuries to think that his descendants continue the game.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

To return however, to Siward's immediate posterity. In the time of James the First of England, great bodies of land in the Province of Ulster, Ireland, were forfeit to the crown in consequence of the rebellion of Tyrone and Tirconnell, and these lands were offered to the Scotch and English people for settlement. Thousands of the Border Scots, including many Armstrongs, old Siward's descendants, accepted the offer and went to the new land. It was estimated in 1638 that there were forty thousand Scotchmen in Ulster.

These are the people who became known subsequently as the Scotch-Irish, though they had in most instances not a drop of Irish blood. A hundred years or more they lived in Ulster and then early in seventeen hundred emigration to America began.

* * *

In 1937 my wife Mary and I made a trip to Europe. We visited Londonderry, Ireland, where I sought unsuccessfully to learn something about the two Armstrong brothers who migrated from there between 1735 and 1750. They were younger sons who, under the English law of primogeniture, were not entitled to inherit landed estates and titles.

The elder branch of the family is now represented by the Duke of Northumberland and the descendants of the late Lord Armstrong. They have large estates near the border between England and Scotland. This branch of the family is recorded in the College of Arms in London. The history of Siward the Strong as stated above is confirmed by the record in the British College of Arms.

We called on Lord Armstrong at his magnificient castle which is in a most picturesque setting, and were graciously received by him and Lady Armstrong.

III

Boyhood

I WAS BORN January 26th, 1866, on Walnut Run near Beech Grove in Jasper County, Texas, in my Grandfather Smyth's large old hand hewn log house, in the same room in which my mother was born. My mother said of me that when I was three or four years old I was in the habit of running away, which was attended with some danger, as we lived in an unsettled, swampy country. They thought to scare me by telling me that the bears would catch me. On the next occasion I offered the excuse that I had "gone to hunt the bears." I appear to be inclined by nature to be venturesome. While I have often been afraid of "the bears" I have never run from them. I must have been four or five years old at the time of one of these ventures. My father left me at my Grandmother Smyth's *en route* to one of his ministerial appointments. There was no one for me to play with and I became lonesome and decided to return home, a distance of about three miles through the swamp. I waded into a slough, and finding it too deep I turned back and lay down in a hole made by the roots of a tree that had blown down, and fell asleep.

People for miles around were notified that I was lost and they formed searching parties. They could trace me into the slough but could not trace me out of it. They called me but I was afraid to answer. At last Mammy 'Silla raised her voice and called, "Georgie, O Georgie!" When I heard her I got up and answered, "*Here me.*"

IV

[illegible]

[illegible]

[illegible]

When they took me home I begged my mother to whip me and to tell my father that she had done so; but that did not satisfy him. He also gave me one, which put a stop to my wandering away.

In October 1876, when I was almost eleven years of age, my father and his older brother Jim moved, with their families, in home-made ox wagons, each drawn by four yoke of oxen, from Jasper County to "West Texas," as we then called it, where they had acquired about 1,000 acres of rich, black, waxy, "hog wallow" land between White Rock and Richland Creek in Hill County, at $2.50 per acre.

The women and children traveled in hacks drawn by horses, but I went with one of the ox wagons which contained the "grub." We had a couple of "tongue" steers that acted as a brake when the wagon went down hill. On one occasion I was prodding Old Buck with the butt end of the whip, calling on him to "back, gee, Buck!" when he threw his head around and struck me behind the ear with one of his horns and knocked me cold; the wagon clipped my clothing as it rolled by but did not injure me. It is a wonder that boys ever live to be grown men.

My father and Uncle Jim established a store on their property and named the village "Irene." We obtained our supplies for the store and our lumber for improvements from Corsicana, about thirty miles distant, and I drove the wagon. I was then about twelve years of age. I would start before daylight and on arrival would load my wagon then spend the night at Frost's Wagon Yard in the winter-time; and in summer I would drive out a few miles and camp, and sleep under the wagon. I acquired a love for camping and sleeping in the open air that has lingered with me.

I recall that on one wagon trip to Corsicana my cousin, Johnny Armstrong, several years my senior, invited me to go to a "monkey show" with him and some of his companions. They took me over across the railroad tracks to some cheap houses. When I saw women sitting on men's laps, smoking, and heard cursing, I refused to go in and sat down on the porch. From a nearby house a woman called out, "Ethel, there's an s.o.b. sitting on your front porch." I got up and ran, and didn't stop until I got to the wagon yard.

We were pioneers in Hill county. Here I was in my glory, running "mule eared" rabbits the year round and stealing watermelons and peaches in season. I soon established myself with the boys of the community. I would not stand for being called "Haim-string" or "Gum-strong" or "that damn preacher's boy." It always meant a fight and I kept in pretty good practice.

I have a distinct recollection of my last watermelon raid. Together with two other boys we raided a farmer's "patch" in broad daylight. Soon afterward while milking the cows early one morning I saw a neighbor talking to my father and knew there was trouble ahead. I promptly went to my room to hedge against it and put on all of the clothes I could find.

My father took me out to the thicket and had me get down on my knees and he kneeled over me and prayed God to save me from my sins. I thought he might then relent, but instead of doing so he cut a long keen switch and began to whip me and I began to yell, although being well padded I was not being hurt. Finally he hit my sore thumb and I involuntarily cried out, "Ouch, God A'mighty damn!" which horrified him, and me too. He then examined my clothing and had me shell them down to normal. When he wore out his switch he got another

one. I can not now state how many he wore out but I can say there was no make-believe about my yelling after that.

When I was about fourteen years of age my father was appointed station preacher at Mexia, Texas. We moved from Irene to the Methodist parsonage in Mexia, and here again I had to establish myself with the boys of the community. I soon had occasion to do so. On my first day at school the school bully slapped a little boy, Marvin Long; his elder brother, Lee, intervened, and was whipped by the bully. I asked why he did not jump on somebody his size. He said, "May be you'd like to have some of it;" and we went at it. This was my introduction to the Long family, who were a refining influence in my life. I came to love them all, and particularly Miss Ella who was about three years my senior.

Soon after we moved to Mexia I went with my mother and little sister Bertie, then a babe in arms, on our first trip back to East Texas to visit "Murr" (my grandmother) and other relatives. We went by train a part of the way, which was my first train ride, and then boarded a boat which was to take us up what was then called the Angelina River, to the point nearest my grandmother's home. The name of the boat was "The Laurel." We traveled only by day, and at night tied up at some landing along the river. We were a week making the trip up the river and a week returning, which was a great adventure for me. My mother had intended to make only a brief visit, but "Murr" prevailed on her to remain several weeks. This was a happy time for me—my grandmother spoiling me as only a grandmother can.

When we visited my Uncle Andrew Smyth I went hunting with my cousins and some of the darkies on the place, and would always come back hungry. My Aunt Emily was a fine, sweet woman. Her table was well

supplied with all the things that appeal to a boy with an untrammeled appetite. There was venison in abundance, fried squirrel as it never since has been cooked, fresh pork sausage and backbone, hot buttered biscuits with ribbon cane syrup or wild honey, sliced sweet potato pie and many other good things.

On a cold winter's night as we sat before a crackling log fire, Uncle Andrew would have sugar cane brought in (which had been stored for such occasions), and for those of us who were not adept at the practice he would peel it, for peeling sugar cane is quite an art, and difficult for the inexperienced. Here it was that I acquired my taste for sugar cane. For many years I have grown it. At harvest time I store a supply in a special bin in my cellar and enjoy it most on cold wintry nights. This trip to East Texas with my mother was a high light of my boyhood.

It was about this time that infairs were a great attraction to me and to other boys in their teens. On one occasion I thought to "show off" at an infair and bought myself a big cigar. As I had seen the men do, I fingered it, and flashed it around, finally getting up the courage to light it. After a few puffs I did not feel so well, and after a few more I climbed on my horse and started home in a hurry, but did not get very far. Along the way I stopped in the shade of a tree and lay down on the ground. I was never before so sick. I wondered if any boy had ever been as sick as I was and lived. On arrival at home my mother was distressed to see me looking so pale and shaken, and thinking that I was weak from lack of food insisted on my eating; but food was the one thing I did not want to see. That cigar lasted me a life time. Never thereafter was I tempted to use tobacco in any shape or form.

I was expelled from school at Mexia either by mistake or on general principles. Professor Park thought I defied him (which I did not intend to do), and expelled me. My father felt disgraced and arranged for my return. I rebelled and decided to run away from home. I went back to school but returned at noon with my books, and packed up to leave. But I was unwilling to leave without advising my mother, which I did not have the courage to do personally, so I wrote my father a note and gave it to my younger brother to deliver to him after I had gone. He delivered it prematurely, and I was in the act of going when my mother called me back.

We had a family conference in which my mother and I cried and my father did most of the talking. He said, as he often had said before, that I would "bring his gray hairs down to the grave in sorrow," but I was unmoved by it. He finally proposed that I go back to our Hill County farm and that he would stake me to a team and give me the free use of land, which I accepted.

Accordingly I walked to the farm, about thirty miles, and got a job with his tenant, a local Methodist preacher by the name of Woodard. He put me to chopping cotton with himself, at 75 cents a day. I was the faster and chopped my way to the end of the row then sat in the shade of an oat shock until he caught up. He insisted that after I had finished chopping my row of cotton that I should help him out with his row; and I argued that a day's work was what he did himself, with the result that he fired me. A few days later he had a scrap with another tenant who was a Baptist.

My cousin, Willie Armstrong, and I, had an argument regarding them, Willie taking the side of the Methodist, Woodard, and I the side of the Baptist. Finally, Willie got up, shook his fist in my face and proposed to fight. I

offered to go to a nearby thicket with him where nobody could separate us, and fight it out; and so we did. Nobody thought we would fight, but Willie didn't make any peace overtures, and so we went to it. And O, such a fight! We fought and we rested, without relinquishing holds, and then fought some more.

In our argument at the store preceding the fight Willie had said sarcastically, "I hear you are going to be a lawyer. What is the first book in law?" I answered promptly and emphatically, "Caesar." Then he asked "What is the second book?" And I replied, "Cicero." He did not know any better and swallowed it without comment.

When the fight was over I could hardly stand up. We had to help each other dress. Willie was very badly bunged up, and so was I. My Uncle Jim Armstrong saw Willie first (Willie was Uncle Everett's son), and wrote my father in Mexia about my misconduct, and how I had mistreated Willie.

My father came in his buggy to get me. He saw me and my condition and heard my story first, and it was of course a plausible one. He expressed some sympathy, which he never did regarding any previous or subsequent fight. It was probably due to the fact that he saw that I had put up a pretty stubborn fight with a boy who was three years my senior in age and size.

I mention this incident not only because it is characteristic of my boyhood, but because it had some influence on my future. I harbored an ambition to prove to the family that I was a better man than Willie.

My father took me back with him as far as Dawson and hired me to Wesley Sanders, a cousin by marriage, at fifteen dollars per month. Mr. Sanders was farming

about one hundred acres of land that was badly in crab grass. We started work before daylight, rested about an hour at noon, then worked as long as we could see, and ate supper by candle-light. I went to sleep immediately afterwards, and it seemed to me that by the time I got sound asleep they woke me up for the next day's work.

Cousin Mattie Sanders made a beer out of something that fermented and augmented very rapidly, of which I was very fond. When I left I put a little of it in a bottle to carry home with me, put it in my little tin trunk, and forgot about it. It soon filled the trunk and pried the lid open. I put a little in a boot that was too tight and it burst the seams. I am aware that this story may tax the credulity of the reader, but it is a "so tale."

I worked for Wesley Sanders four months, and at the end of the period when the crop was marketed I was paid $60 in big, bright silver dollars which I fingered daily. My father wanted me to invest some of the money in a suit of clothes, but I thought that clothing me was his job and I did not want to squander my money in that way. I had then reached an age when the girls attracted me, and I had one of my father's hand-me-down preacher suits for my Sunday suit. It was a suit that did not fit him and would not fit man or beast. It was a long tailed outfit, the back buttons of which came almost to my knees. Finally my father took me to a store where I was shown a blue coat and speckled trousers that fitted me fairly well, and I could not resist the temptation of squandering my money for them.

I had gotten enough of farming and was ready to return to school. My father sent me to Marvin College, a Methodist school at Waxahachie, Texas, which I attended two years. Here I really studied, which I had never done before. During my first year I became a member of *Sigma* about one hundred [illegible] spring. We started [illegible] [illegible]

[illegible] was very hard. [illegible]

[illegible]

[illegible] during the winter [illegible]

[illegible]

Alpha Epsilon Fraternity. At the beginning of my second year there were only two of our Chapter left, viz., Lee Hawkins (afterwards Chief Justice of the Texas Court of Criminal Appeals) and I. Both Lee and I had heavy work and decided that we would not attempt to reorganize the Chapter. Our elocution teacher at the College, Professor Robert S. Goss, who was an ardent *SAE*, remonstrated with us, separately. Upon his insistence we agreed to consider the matter further, and to confer with him at Lee's home.

We met one night on the stile in front of Lee's home. I have a vivid recollection of our sitting on the stile in the moonlight, and professor Goss, lean, long legged and dreamy eyed, pacing up and down as he made us two seventeen year old boys a dramatic speech in the style of "Quoth the raven, nevermore!!"—which he delighted to recite. He won. At his conclusion we took a secret ballot, using rocks for white balls and dirt clods for black. We elected eighteen new members, and thus perpetuated the Chapter. After teaching school a year I entered the University of Texas and there found Chapter Rho established and active. My eldest son A. J. Armstrong, is a member of *SAE*; and his son, Thomas K. Armstrong, and another of my grandsons, Beverley V. Thompson, Jr., also are members.

After attending Marvin College two years I got the job of teaching school at Mountain Peak at $75 per month. There was a rowdy set of boys here who had run off my predecessor, and threatened to treat me likewise. I determined, however, that this wouldn't happen to me. I thrashed eleven of them for good cause, and there was great indignation in the community on account of it. Threat of prosecution and other threats were made against me, but nothing came of it, and I finished out the year.

Alpha Epsilon Fraternity. At the beginning of [illegible] year there were only two of us [illegible] Chapter [illegible]

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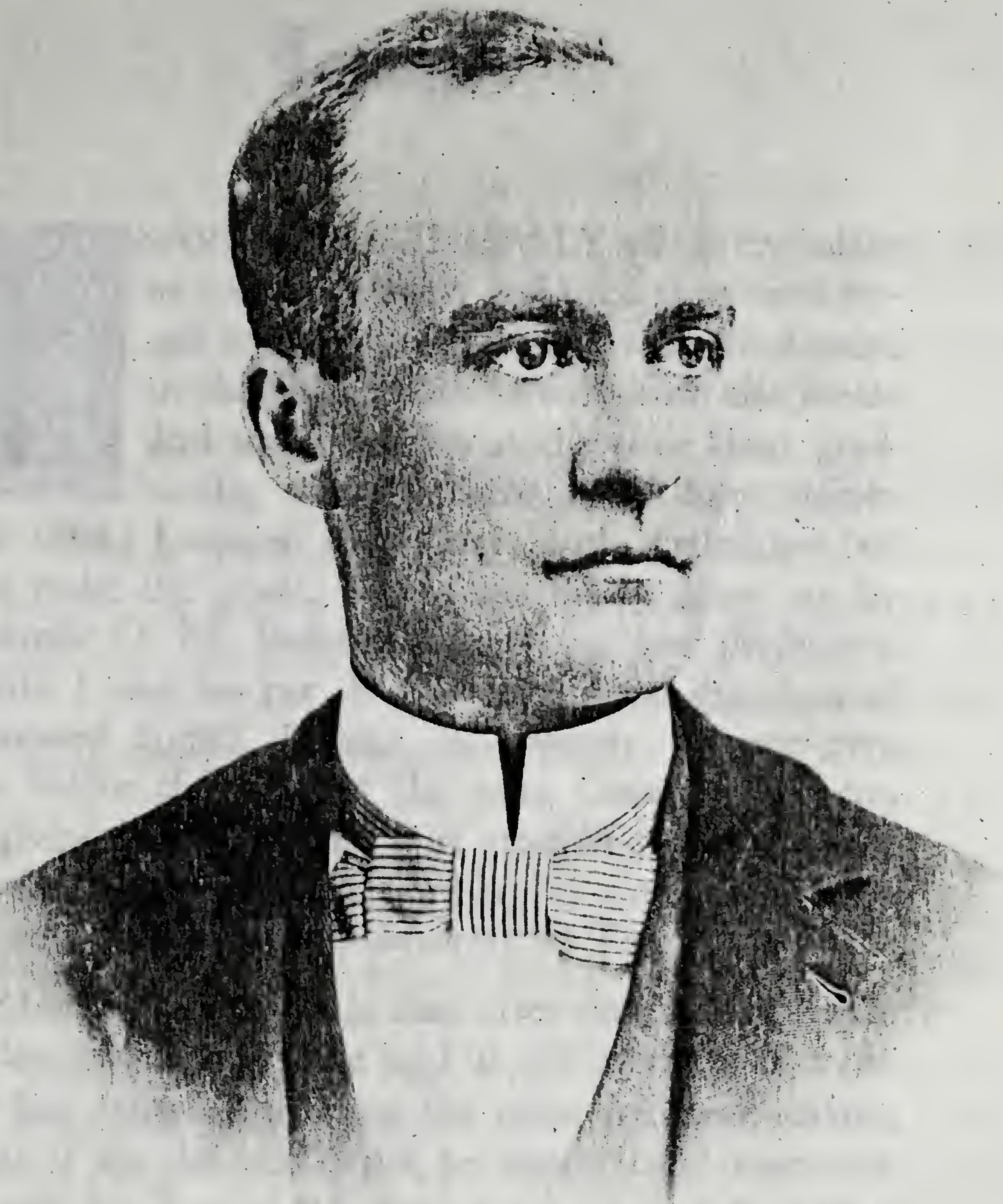

George W. Armstrong
As a young lawyer

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[illegible]

[illegible]

IV

Lawyer

I SAVED PRACTICALLY all of my salary as a school teacher and used it to send myself to the University of Texas, at Austin, in the fall of 1885. I took both the junior and senior courses at the same time, graduating with a Bachelor of Law degree in June 1886. I aspired to graduate with distinction but did not make the grade, due to the rating given me by ex-Governor O. M. Roberts, one of my law professors. Originally I was his pet, because I was the grandson of his deceased friend, George W. Smyth. About two months before the close of the term Governor Roberts began giving lectures, and I quit attending them because they were largely reminiscences of his experiences as a lawyer and a judge, and as Governor of Texas.

He told the same stories time after time, and the class would laugh and cheer. He told us one morning that the faculty had complained about the noise we were making and that if we did not desist he would take down our names and report us. We agreed among ourselves that the next time he told us his story about the Nutt case, his first case, that we would not crack a smile. On the following day he related the story and we were as silent and solemn as the grave. He waited for the cheering, then looked over his glasses and said, "Why the hell don't you laugh?" That brought down the house.

I called at his room and complained about my grade. He took down his register and showed me where he had

marked me absent, and asked me how he could do otherwise. I could not answer the argument and he did not change the grade. He kept his register with an indelible pencil and when he made an error would rub it out with his thumb. It was a sight, but clear enough to show that I had not attended all of his alleged lectures.

Governor Roberts had written an interesting and informative book entitled "*A Description of Texas*—Its Advantages and Resources." On my graduation he gave me a copy which still has its place in my library. The inscription in his handwriting reads: "Presented to Mr. George W. Armstrong by O. M. Roberts, June 10th, 1886."

After graduation I had my disabilities as a minor removed and went to Ennis, Texas, to practice law, and formed a partnership with the late Judge D. F. Singleton. I set myself the task of reading forty pages of law every night, and for many years adhered to this practice.

At Ennis, on February 22nd, 1887, I married Miss Jennie May Allen, my first wife. I was then twenty-one years of age and she had recently celebrated her sixteenth birthday. We both had very much to learn, and learned it the hard way.

My marriage at the time was due in part to the opposition of her brother-in-law, Mr. Finklea, with whom she lived. He sought to freeze me out by not allowing a fire to be built in the parlor. I sent a negro porter to the house with a scuttle of coal to build a fire. Mr. Finklea sent him back with a note to me to stay away from his house. I met him on the street the next day and we had a pretty frank talk and a very clear understanding that he would thereafter provide the fire, and I took advantage of it.

When I told my partner, Judge Singleton, that I was engaged to marry Miss Allen, he asked me if I loved her.

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When [illegible]

I replied, "Not exactly, but I feel sorry for her." He said, "That is very fine, but what will you do for the next girl you feel sorry for?" We were not congenial, due to temperament and to the fact that we did not begin our married life with enough love.

I had a young man by the name of Charley Thacker in my office at Ennis, reading law, who was quite ambitious. He later went to Greer County, Indian Territory, which county was then in dispute between Texas and the United States. He was elected County Attorney, and after his election had a serious illness which incapacitated him for a long period of time. He had no kin, and he wrote me about his condition. I immediately went there to do whatever was necessary to help him.

The little town of Mangum, county seat of Greer County, was not on the railroad. I got off the train at Quanah and went out to his place by hack. I found him living in a "dug-out" at the edge of town, very ill and in a weakened condition. I stayed with him several weeks, giving him the best care of which I was capable, and nursed him back to health. As County Attorney he was enforcing the law. I took charge of his office for him and prosecuted the law breakers and gamblers.

Charles M. Thacker afterwards became Justice of the Supreme Court of Oklahoma. He was a fine man, a fine lawyer, and a good friend. He married a sister of Judge Phillips, a member of the Supreme Court of Texas.

After practicing law about two years in Ennis I decided to move to Greer County. We were *en route* there when we stopped to visit my father, then stationed preacher at Fort Worth. I was influenced to locate in Fort Worth by William J. Bailey who was then retiring from the practice of law. I went into his office and fell heir to a part of his practice. It was during this period that I

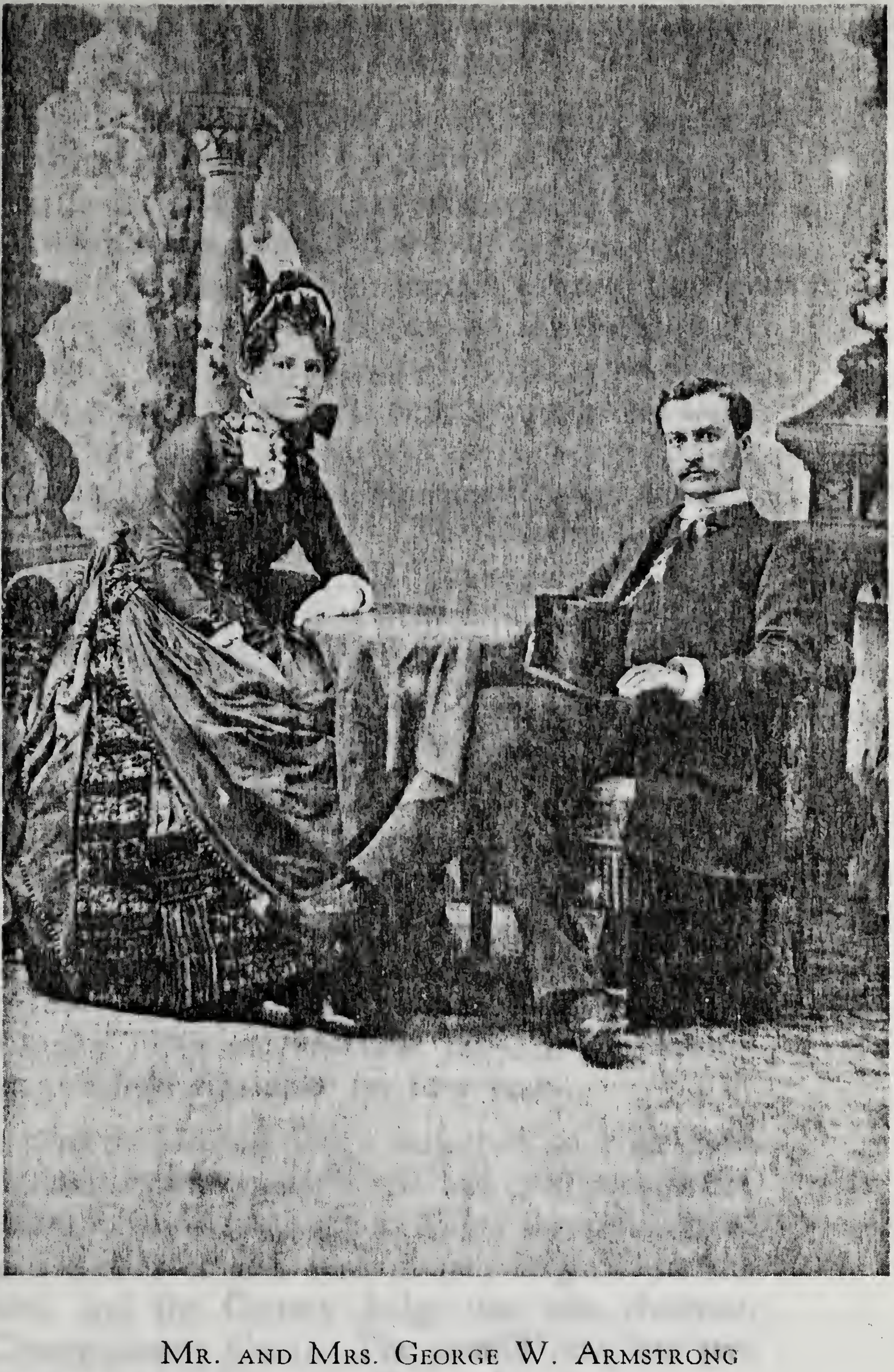
I replied, "Not exactly, but I will carry the baby." He said "That is sure fine, but what will you do with the man you get with that [illegible] baby?" [illegible] [illegible] of the [illegible] [illegible] carried the bill through [illegible]

I had a similar [illegible] experience in [illegible] in my office [illegible] The letter [illegible] [illegible] which [illegible] the United States. He [illegible] after [illegible] had a [illegible] for a long period of years. [illegible] to an interview [illegible]

The [illegible] County [illegible] [illegible] [illegible] [illegible] a [illegible] [illegible] [illegible] and [illegible]

[illegible] the Supreme Court at Cleveland. [illegible] and a [illegible] [illegible]

After [illegible] [illegible] [illegible] Park Worth. I was [illegible] Worth by William J. Henry, [illegible] the practice of law. [illegible] a part of his [illegible]. It was during the period that I



Mr. and Mrs. George W. Armstrong

undertook to write a law book under contract with the Gilbert Book Company but never finished it.

In my early days as a practicing attorney there was a Judge on the bench who was regarded as pompous and overbearing in his manner; he was not well liked by the lawyers, but when practicing before him they were always on their good behavior. On one occasion after a long day in the court room several attorneys and the Judge were having dinner at the only hotel in the little town where court was in session, when a young attorney let his sense of humor get the better of him and made some facetious remark, within the Judge's hearing, regarding his conduct of the case then before the Court. The Judge immediately took exception to it, rose to his feet, and with a wild gesture, said he would hold in contempt of Court the man who made it. "But Judge," the young lawyer answered, "we are not now *in court.*" To which his Honor replied with vigour, "I'll have you know this Court is an object of contempt wherever she goes!"

Early in 1890 I began the practice of law in Fort Worth, with about $280. I soon established a modest practice and took in a partner, the late R. W. Flournoy, a very conscientious man and a capable lawyer. The firm of Armstrong & Flournoy continued until my election as County Judge in November 1894, in my twenty-eighth year. I held this office for four years.

The office of County Judge was then on a fee basis and paid about $7,000 annually. It had civil jurisdiction up to $1,000, criminal jurisdiction where the penalty did not exceed $1,000 or one year in jail, original probate jurisdiction, and the County Judge was also chairman of the Commissioners Court. The county now has two civil courts, a criminal court and a probate court.

There were then six terms of the county court per annum, of two months each. It was a man-size job. The

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Hon. W. A. Hanger was the prosecuting attorney in my court, and we became intimate friends. I arranged my docket so as to get a week's vacation at the end of each term, which we spent together, either hunting or fishing.

I was defeated for a third term as County Judge, and on the first of January, 1899, formed a law partnership with Hanger and my brother, R. C. Armstrong, Jr., under the firm name of Armstrong, Hanger & Armstrong, which later became Armstrong & Hanger. We established a fairly lucrative practice, but both Hanger and I had been active in politics, had good political following, and were ambitious for office. He ran for the state senate and was elected; and I ran for Congress against Hon. O. W. Gillispie, et al., and was defeated. In the meantime, having accumulated about $20,000 I decided to abandon the practice of law and go into business. Hanger became a partner in the firm of Capps & Cantey, a firm of able lawyers with a large practice, and later became head of it.

Hanger aspired to be Governor of Texas but never ran for the office. We confided our secret ambitions to each other as we jogged along in a buggy after a hard day's quail hunting trip. He told me that he wanted to be the "political boss" of Texas, and I confided to him that I wanted to influence people through my writing. We neither of us quite reached our objective, but we came near doing so. He was a dominant figure in every political gathering. He defended Senator Joseph Weldon Bailey and later Governor Jim Ferguson in impeachment proceedings against each of them.

My two most intimate life long friends, apart from Senator Hanger, were Senator Wm. J. Bailey and John P. King. It was through Bailey's influence that I was nominated County Judge, and through mine that he was nominated Senator. Bailey exacted loyalty from his friends

[illegible]

[illegible]

[illegible]

[illegible]

and gave them loyalty in return. He was for a long time the "political boss" of Tarrant County. He had a keen mind and remarkable vision and courage, and a dominating personality. John King was a modest, sincere, able man, and the most popular one in Tarrant County for fifty years. He was County Clerk when I was elected Judge, and for a long time before and after. Both Bailey and King were bankrupted by the deflation of 1893, and both recovered and established fortunes.

I rejoice that I have enjoyed the friendship of these three fine, upstanding men—Bailey, King and Hanger—for a period of more than fifty years.

Some years after I had abandoned the practice of law, the Texas Economic League carried on in the press a discussion of the administration of justice. I felt a keen interest in the subject and contributed to the debate several effusions, from which I quote the following:

The Administration of Justice

> The "administration of justice" is a misnomer. There is no such thing. It is a snare and a delusion. We have an administration of the *forms* and *methods* of procedure, of the *rules* of evidence and of the *technicalities* of the law—an administration of the law. It is more important under this system that the rules and forms of procedure be observed than that justice be attained. Justice is but an incident and must always yield to the rules. If through the ignorance or negligence of the lawyer the forms are not rigidly observed, then justice must be denied.
>
> In practically one-half of the cases one side or the other does not want justice. Their effort is to obstruct, delay or defeat justice. This is legitimate practice and the rules of procedure are admirably adapted to that end.

It is the duty of the lawyer to serve his client. He is hired by his client to win and it is up to him to do it, whether right or wrong. The lawyer strives for success and not justice. Success obtained through his superior knowledge of law and practice, or tact of management, is legal justice. When success culminates in a judgment of the court of final resort it is then sanctified justice that must not be questioned, and a precedent that must be afterwards followed.

The lawyer does not want the truth unless it favors his side of the case. He seeks to suppress or distort all truth unfavorable to his client by invoking the rules of evidence, by browbeating witnesses, and by playing on the prejudices and emotions of the jurors.

It is ethical for the lawyer to take any sort of case provided the fee is satisfactory. The harder the case—i.e., the less justice there is to it, the more fee he charges and the more service is expected of him. The fault is not in the individual lawyer. It is in the nature of his employment and the ethics and rules of practice of his profession. I am not attacking the lawyer as a man. He will average up in character with other men, and in intelligence above them. But I am assailing a lawyer system and a judicial system that has proven itself inadequate to meet modern conditions, that contains much ancient and precivilization law and that has grown so cumbersome, expensive and technical as to defeat the very ends for which it was organized and is being maintained. I am trying to call attention to the fundamental causes that have brought "the administration of justice" into disrepute, that cause men to suffer injustice rather than submit to the arbitrament of the courts, and that provoke mob law—in order that the remedy may be more clearly seen.

Originally, the profession of law was one of honorable service without compensation. Its commercialization has been of comparatively recent growth. Society must be governed by law, and the law should in itself be wholesome and should be justly administered; otherwise it will neither be respected nor observed.

It is by law that we own and transmit property; that our family life is created and preserved, and our conduct towards each other regulated. Our every relation must be fixed and governed by law. Law is the foundation stone of society, and justice is its bulwark. Law may exist without justice, and justice without law. The former is tyranny, and the latter the mother of anarchy. Justice is the aspiration and inspiration of the individual and of society. Men freely give their lives for her sake and in her name.

The lawyer enters ultimately into our daily life, and controls absolutely all of our political institutions. He settles our controversies, creates and guides all of our large financial and industrial institutions, and administers on them in case of disaster. And, likewise, he administers our affairs in case of death or misfortune; and he makes laws for our guidance, and imprisons us if we violate them.

The lawyer is largely responsible for the law's delay; for the non-enforcement of the criminal laws, and for the technicalities by which the ends of justice are more often defeated than promoted; and for the fat statute books growing fatter year by year. The tariff, the trust, the tax, and various other problems that confront us are all lawyer made, lawyer interpreted and lawyer enforced.

Fully three-fourths of our Presidents and public service commissioners have been lawyers, and all of our Judges. We are truly a government "of the lawyers, by the lawyers, and very largely for the

lawyers." We are a lawyer ridden people. This is the reign of the lawyer. As a legislator, he makes the laws; as a judge, he construes them and makes more; and as an executive he enforces them. We have an infinite volume of law which is daily being added to, refined, limited and reversed. We are all conclusively presumed to know the law and we can not plead its ignorance. None of us knows it, no one—not even the lawyer—can tell us what it is, and we can not find it. We can discard a great deal of it as useless, and justice and morality will be advanced by the operation.

The situation is becoming intolerable, and it demands heroic treatment. No substantial reform can be expected from the lawyer. It is rare that any class or organization reforms itself. The lawyer is strong on regulating and reforming other lines of business, but never his own. I would suggest that at least one branch of the Legislature should be entirely free of lawyers.

Let justice be the beacon light and all rules and precedents subordinated to her attainment. The courts must be regenerated by and with the spirit of Justice.

I have given my views on the administration of justice at the request of my friend, J. S. Cullinan, Chairman of the *Texas Economic League*, and hope that what I have written may awaken thought on the subject. The more you think about it the more clearly you will see the vicious tendency of the legal profession to monopolize all of the offices and functions of government. It may be that the lawyers have made as good a job of running the government as the bankers, merchants, preachers, doctors, or any other class could have done: but it is contrary to the spirit of our republican form of government and our democratic institutions that any one class should govern us, however wise or patriotic it may be.

V

Oil Producer

I WENT TO Beaumont with a cashier's check for $10,000 during the Spindletop oil boom. The Lucas gusher, drilled by Guffey and Galey but named for the developer, Capt. A. F. Lucas, came in wild at about 1,000 feet, making about 20,000 barrels of oil per day. The force of the gas lifted the pipe out of the hole. There was then no known method of controlling the oil, and the well ran wild for several months. Oil had been discovered a few years prior thereto at Corsicana, but the wells were small and the discovery received but little attention.

The Lucas well, however, attracted the notice of the people of the entire country and dazed the people of Texas. There were all sorts of theories about oil. Perhaps the most accepted one was that there was a broad underground river of oil that headed in Pennsylvania and that the gusher was caused by pressure from above.

The boom extended to the surrounding country. I recall a broker who offered ten-acre blocks out of the M. Pevite Survey (about 5,000 acres). He was always on his platform in front of the Crosby Hotel at ten o'clock in the morning, offering to buy or sell M. Pevite at a spread of $10 per acre. It is my recollection that the M. Pevite tract was about 25 miles from Spindletop, and that he began offering to buy at $40 and to sell at $50, and that he advanced the price by $10 stages to about $300 per acre.

Everybody wanted to get a gusher and to organize an oil company. The country banker was there to make investments for customers, and the speculator was there to make quick and easy money. It was said of one of them that on discovering a ten dollar bill in his bank roll that he looked at contemptuously, tore it up and threw it in the waste basket, saying, "How did you happen to get in my pocket?"

It is estimated that more than one thousand oil companies were organized during this period. The promoter had to have a gusher in order to sell stock, and when he got the gusher he could not handle the oil.

About 100 acres, adjoining the Lucas gusher was bought by Governer James S. Hogg, Judge James W. Swayne and others, constituting the Hogg-Swayne Syndicate. They divided it into lots of one sixty-fourth (1/64th) of an acre each and sold them for as much as $1,000 per lot—or at the rate of $64,000 per acre. One sixty-fourth of an acre is not enough land for one derrick, and therefore lease arrangements were made with adjoining property owners for the necessary space. There were no pipe lines, and great earthen storage tanks were built. Much of the oil was wasted, and it damaged surrounding property.

By agreement the producers appointed Lon Hill to control waste oil. He built earthen storage tanks and filled them with waste oil. When this oil reached a value of about one dollar per barrel he was sued by some heirs claiming to own title to the land, and a receiver was appointed. When the receiver came to measure the oil he found all of the tanks full of salt water with only a skim of oil on top. Pending the suit a secret pipe line had been built to the gulf, about sixteen miles distant, the oil removed by an underground connection, and salt water pumped in to replace it.

Mr. J. S. Cullinan, manager of the Payne & Folger Refinery (now Magnolia Petroleum Company) at Corsicana, came to the oil fields, saw the opportunity, built earthen tanks and filled them with oil at three cents per barrel. The boom of course attracted Mr. John W. (Bet-A-Million) Gates who became interested with Mr. Cullinan, and they organized the Texas Fuel Oil Company, later to be known as The Texas Company. The Gulf Oil & Refining Company is the successor of the J. M. Guffey Petroleum Company. Its stockholders were interested in the discovery well.

Sour Lake was the third discovery of oil in Texas, the first being at Corsicana and the second at Spindletop. The Sour Lake field was brought in by the Texas Company. It was only about twenty miles from Beaumont and the speculators moved over there.

I was simply a spectator. I did not at this time participate in the organization of any company or buy any oil stock or land. I could not "plunge" and so I stood around with my cashier's check in my pocket.

My venture in the oil business occurred after the discovery of oil at Batson. Mr. Fred H. Wickett of Chicago came with a letter of introduction to me, and requested me to join him in the purchase of three acres of land in the Batson oil field, which I did. The Ada Belle Oil Company, which we incorporated, drilled several wells on this tract and had a considerable quantity of oil in wooden tanks on the lease when we had a fire that swept it clean. We rebuilt our wooden derricks and wooden storage tanks. About the time we got going good a second fire again swept the lease clean. In the meantime the flush stage had passed and it was a debatable question whether we should pocket our loss and quit the game, or put up more money. We rebuilt our equipment

Mr. J. R. [illegible], manager of the [illegible] [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

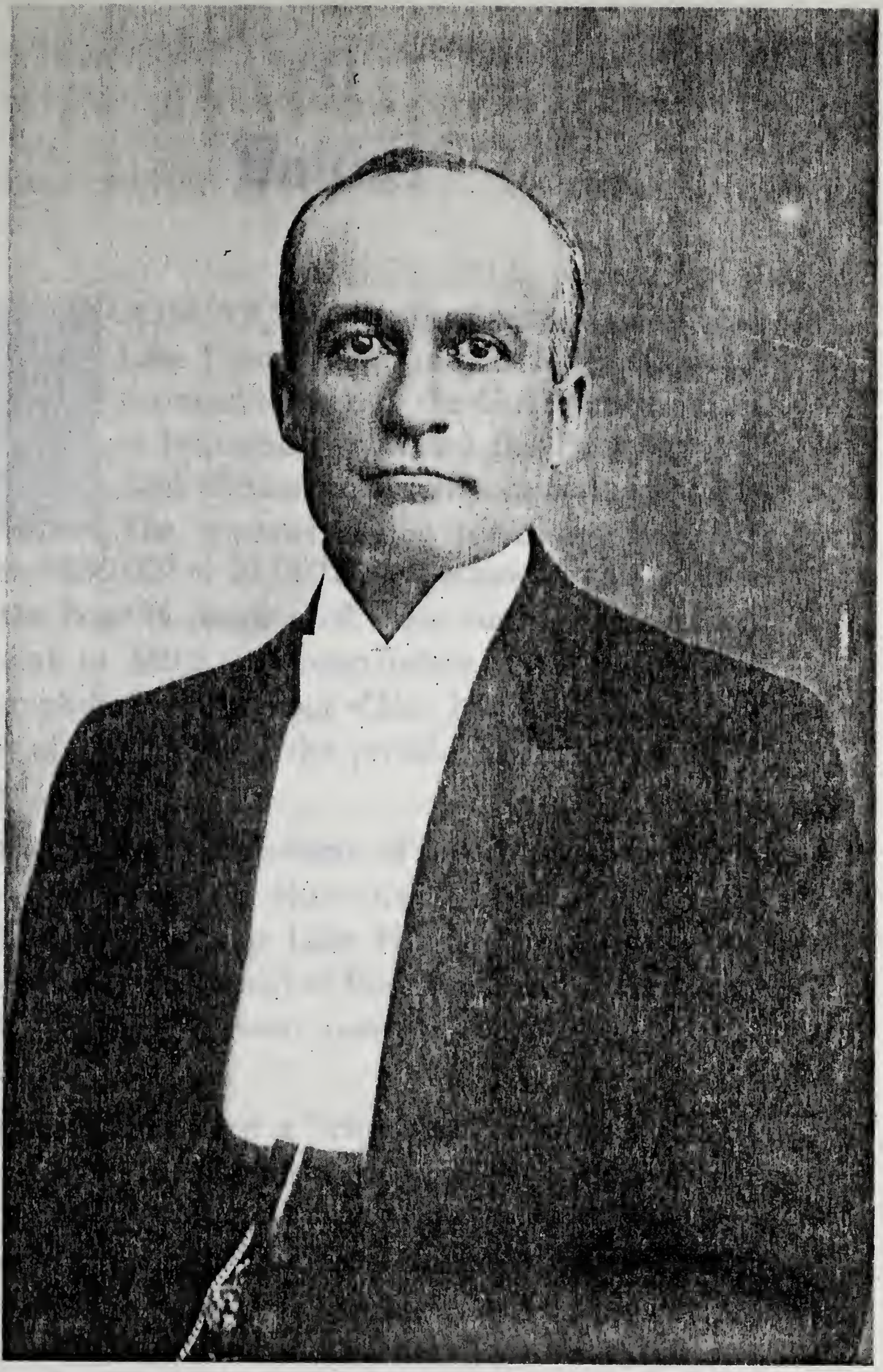
for the third time and drilled additional wells. I have forgotten the exact number but I think about twenty. We later acquired some adjoining properties. The investment paid itself out several times over and enabled us to acquire properties in Oklahoma.

From time to time I sold our manager, Mr. H. E. Karnes, some of my stock in the company on easy terms, and it paid itself out from monthly dividends. He finally bought all of my stock and all of the other stock of the company. I think that the property is still producing and paying dividends.

I sold all of my oil interests in preparation for my first retirement from business, but Mr. Wickett continued in the business and thereafter organized, in association with the Standard Oil Company of Indiana, the Dixie Oil Company, the Maracaibo, and the Pan American.

The only thing that I accomplished in the oil industry in Texas worthy of mention was the discovery of the first deep well northwest of Fort Worth. There was a small field at Petrolia in Clay County, the wells producing oil from a shallow sand two to three hundred feet deep. I leased the deeper sand under this field and surrounding property, and developed a good well which I sold to the Corsicana Petroleum Company. This producer resulted in further development and largely influenced the drilling of the Waggoner well at Electra and the development of the West Texas oil fields. The Petrolia field was the original source of supply for the Lone Star Gas Company, and brought about the organization of this company, as hereinafter stated, and the delivery of natural gas to Fort Worth and Dallas.

I was successful as an oil producer and have always regretted getting out of the business, and am now in again.



George W. Armstrong
At forty-five years of age

[illegible]

VI

Banker

SOON AFTER the discovery of oil at Sour Lake I went there, and, in association with the stockholders of the Gulf National Bank of Beaumont, organized the First National Bank of Sour Lake with a capital of $30,000. The deposits of the bank soon increased from about $50,000 to $1,000,000. Because of this increase and in the hope of heading off other banks, we increased our capital to $60,000. Nevertheless, two other banks were established: The Sour Lake National Bank with a capital of $50,000, and the private bank of D. Call & Company.

The majority stockholders of my bank were stockholders of the Gulf National of Beaumont; the stockholders of the Sour Lake National were connected with the Citizens National of Beaumont; and the partners of D. Call & Company were associated with the Beaumont National Bank.

Sour Lake was then a "rag town" composed largely of adventurers, speculators and gamblers; rumors were magnified and spread rapidly. There was some discussion of the solvency of the Citizens National Bank of Beaumont, with the result that there was a run on the Sour Lake National Bank. The Sour Lake National was a solvent bank and its stockholders were very wealthy men and felt humiliated by the run. Mr. Campbell, its president, approached me to buy the bank and I bought it and merged it with the First National.

Later there was some discussion about the solvency of the Beaumont National Bank, and there was a run on D. Call & Company. I heard the rumor and anticipated the run, and advised Mr. Currie, cashier of D. Call & Company, to provide himself with cash, which he failed to do. I shipped in about $200,000 of currency, of which $50,000 was silver. The next morning there was a line two blocks long in front of the cashier's window of D. Call & Company, and within less than two hours after the bank opened Mr. Currie appealed to me for help. I extended it in silver so that the money would be bulky and heavy and it would take longer to count it, and the customer would likely bring it back to my bank for deposit, which many of them did.

During the day the president of the Beaumont National requested me by 'phone to meet with his directors that night. They were anxious to sell D. Call & Company and I was willing to buy, and so I bought it and merged it with the First National Bank of Sour Lake. My bank then had deposits of about $3,000,000. Within less than a year the boom collapsed and my deposits shrank to less than $1,000,000, with the result that I bought out my stockholders and converted the bank into the private bank of Geo. W. Armstrong & Co., of which I was the sole owner.

About this time I established the private banks of Geo. W. Armstrong & Co., at Saratoga and Batson. I had approximately $1,000,000 of deposits in the three banks when there was a well organized raid on them. This was a cold blooded, well organized and executed effort to break me because of my political activities. I undertook to effect an organization of the oil people to defeat the county officials because of their affiliation with criminals, and hence the run.

As a result of the oil boom the town of Sour Lake had been converted almost over night from a peaceful village of about one hundred law abiding, God-fearing people in a prohibition district, to a wild, turbulent, wide open city of several thousand restless, lawless men and women, housed in tents and shacks. It was a city of whites and negroes, of restaurants and saloons. During the oil boom the white waiters organized a white waiters' union and undertook to drive the negro waiters out of town. They formed a mob, beat up several of the negro waiters, then with several hundred spectators proceeded to the Lake Hotel about a quarter of a mile away, where I lived. There were only about a dozen of us against the mob. We had been fore-warned of the approaching mob and had armed ourselves and assembled on the porch of the hotel, prepared to resist forcible entry. A double barrel shot gun was my weapon but I had only bird shot.

The mob demanded of us that we deliver up the hotel's negro waiters, which we refused to do. I stood on the hotel steps and made them a little talk. I told them we were well armed and were not going to let them enter the hotel; that we had the right to defend it; that they were a lawless mob; that we did not want to kill any of them or to be killed, but that they could not take the hotel's waiters without first killing us, and that if there was any shooting some of them would be certain to be killed. They quieted down but their leader yelled, "Come on boys, let's take 'em!" and started forward. I raised my gun and said, "If you move another step I'll kill you." He saw that I meant what I said, and stopped. The men then began to slough away and soon the mob dispersed, leaving the hotel's negro waiters unharmed.

But that did not end the incident. The sequel was that on the following night there was a great indignation

Nor could it [illegible]

The [illegible]

But [illegible]

meeting of law abiding citizens; speeches were made and the Sheriff and County Attorney denounced for neglect of duty. A Law and Order League was formed which appointed a committee of twelve vigilantes and named me chairman. We called upon the County Attorney to appoint Judge R. E. Brooks (afterward treasurer of The Texas Company) as Deputy County Attorney, and the Sheriff to appoint me as Deputy Sheriff.

The mob had been organized in the saloons, and many of its members were partially drunk. We proceeded at once to notify the saloon keepers and "honky tonks" and gamblers to move out of the prohibition district in which Sour Lake was located, which meant moving about three miles away from the oil field. The mass meeting was followed by a secret meeting of the saloon owners and gamblers, at which it was decided to kill Judge Brooks and me. We were not killed and the town was cleaned up, but not without considerable conflict and danger. It was no kid glove job.

Through their attorney the opposition proposed to pay me a percentage of their profits, which I, of course, refused. We filed numerous complaints against them which the county officials refused to prosecute. They sought to intimidate us, and actually attempted to kill one of the committeemen. The Beaumont Evening Journal published a report of the lawless conditions at Sour Lake and criticized the Sheriff and County Attorney. The County Attorney went to Beaumont and demanded a retraction at the point of a pistol. He was arrested, tried and convicted.

At the trial the reporter gave me as authority for his article. I was ignorant of these facts when approached by the County Attorney on Main Street in Beaumont. He began to curse about the d—n liars and s.o.b.'s that meeting in East Moline, [illegible] and the Sheriff and County Attorney [illegible] of East and [illegible] appointed a committee of [illegible] Mr. Sherman. [illegible] support Judge [illegible] County [illegible] and the Sheriff [illegible]

The [illegible] on the [illegible] in the [illegible] which [illegible] by a [illegible] of the [illegible] and [illegible]

Through [illegible] a [illegible] which the county officials refused [illegible] They [illegible] one of the [illegible] The [illegible] County [illegible] published [illegible] and [illegible] County [illegible] a [illegible] and [illegible]

[illegible] the County [illegible] at [illegible] talked about him. I thought he was armed and knew I was not, and as long as his remarks were impersonal I did not resent what he said. The more pacific I was, the more belligerent he became, until he probably concluded that I would take "a cussing." When he said, "You damn _____," I hit him and knocked him off the sidewalk into the street, and jumped on him to prevent his shooting me. Bystanders soon separated us.

The Hon. Martin Dies, Senior, defended him as his attorney. Mr. Dies informed me confidentially that I was slated to be murdered and cautioned me to avoid exposure, and gave me the names of two gamblers (one of whom was a deputy sheriff) who were selected for the job. I then believed and now believe what he told me to be true. It was at this time that I received several death threats, and it was also during this period that an effort was made to break me by making runs on my three banks simultaneously.

After a few months I took a trip with my family by boat from Galveston to New York. I confess that I felt relief when the ship got out in mid-ocean where no one was likely to waylay me or shoot me in the back. I slept nearly the entire trip.

In 1905 I was offered, and accepted, the presidency of the Stockyards National Bank of Fort Worth, which had prior thereto lost money. I bought one-third of its stock at a discount, the other two-thirds being owned by Armour & Company and Swift & Company in equal parts. My stock was bought on the basis of book value plus 10 per cent, and later sold to Armour & Company on the same basis at a profit.

During the first few days of the panic of 1907 we also had a run, based on the rumor that the firm of Swift & Company was in distress. Armour & Company wired

me instructions about every thirty minutes during the first day of this run. I grew tired of this and wired Odgen Armour substantially as follows:

> "I hereby resign. If you think you can run this bank better than I can, it is up to you."

He replied:

> "Resignation refused. Do the best you can. It is up to you."

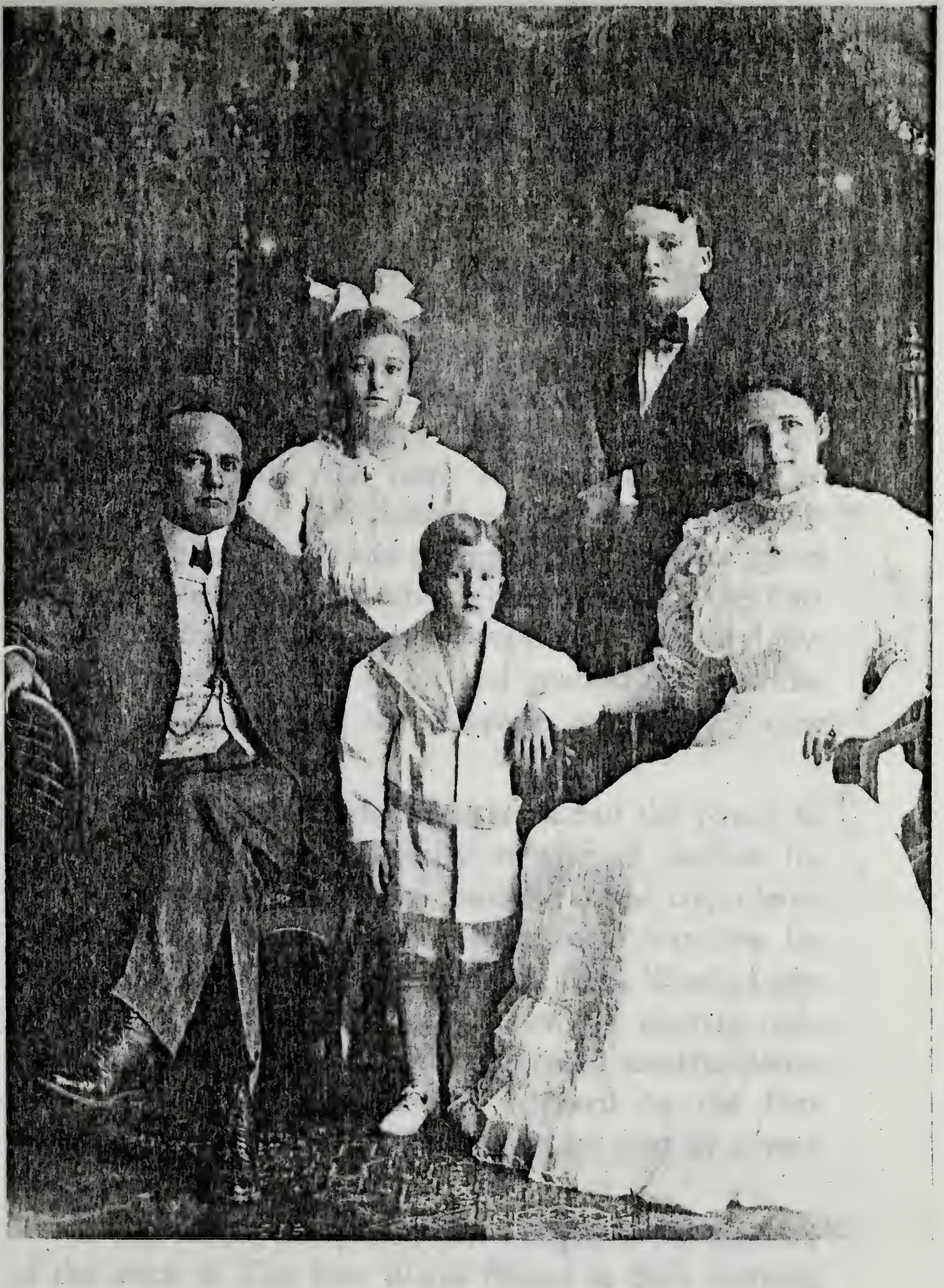
The Fort Worth livestock market was the source of considerable liquidation for the banks of the Southwest, but it required much cash and credit to operate it: cash to meet the pay rolls of the Armour and Swift packing plants, and credit to pay the checks of these companies which were usually presented through the Clearing House.

I applied to the Clearing House Association for this cash and credit, and was refused. I thereupon called a meeting of the commission houses and packing house managers, and proposed to them that the packing houses collect their accounts in cash, and the commission houses deposit their Armour and Swift checks in my bank and send their customers our cashier's checks or such exchange as we desired to give them.

The system worked perfectly, with the result that the bank was soon easy for cash and did not need credit. Complaint was made against me to the Clearing House Association by one of the banks, on the ground that I had taken advantage of the distressful situation to solicit its commission house customers. After hearing my defense the Association exonerated me, and complimented me on my ingenious method of sustaining the market and thereby avoiding a public calamity.

I stayed on the job until the storm ended but did not withdraw my resignation. My three private banks in the

oil fields (Sour Lake, Saratoga and Batson needed cash and were crying for help and there was no place to get it. I decided to quit the banking business after having been active and successful in a small way in it for about five years. I sold my Stockyards National Bank stock to Armour & Company as stated, and my private banks to R. S. Sterling who later was Governor of Texas and president of the Humble Oil & Refining Company. It is my observation that the banker who fails is usually prosecuted for something, and I did not want to take that risk; besides, I never did like lending money.



Judge Armstrong, Annie May, Allen *in background,*
George Jr., and Mrs. Armstrong

[illegible]

[illegible]

VII

Fort Worth Gas Company

ABOUT 1905 I established a small light and heat plant in connection with the Natatorium building which I then owned, (located on the southwest corner of Third and Commerce Streets) and incorporated it under the name of Consumers Light & Heating Company. We desired a franchise for the purpose of furnishing light and power to the Delaware Hotel (now the Westbrook), one block distant, which the Fort Worth Light & Power Company opposed. The city government was unfriendly to me and granted the franchise only on condition that the company pay a 3 per cent franchise tax.

Under the city charter the people had the power to grant a franchise by a majority vote at an election for that purpose. We refused the franchise of the city administration and appealed to the people for a franchise for both electric power and gas, since the Fort Worth Light & Power Company had both a gas and electric franchise and was operating both a gas and electric plant. This was, of course, vigorously opposed by the Fort Worth Light & Power Company, but we won by a very substantial majority.

It was during this period that I acquired the majority of the stock of The *Fort Worth Record* (a daily morning paper). This was not done for the purpose of gaining the support of *The Record*, for we already had it, but to assist my old friend and school master, Clarence N. Ousley. It

was during this period also that the city government ordered my electric wires to be put in conduits underground, and proceeded with a force of about thirty-five men to cut the wires. I stopped them with an automatic shotgun. I found them in the alley just as they were beginning the job, and ordered them to desist. They said that they were acting under orders of the city. I replied that I did not want to hurt anybody but would not permit our wires to be cut. They moved towards me in a body as if to assault me. I raised my shotgun to my hip and told them to "scatter," and they scattered. One of them was at the top of a light pole with his wire cutters. I directed him to get down and he told me to "go to hell." I replied, "All right; I think I can drop you. I'm going to shoot your right arm off." As I started to raise my gun he cried, "Hold a minute!" and got down in a hurry.

In the meantime the Fort Worth Light & Power Company sought a renewal of its franchise, and obtained it from the city administration. The legislature was then in session and the city sought to get some amendments to the city charter. I wrote an amendment cancelling the franchise granted the Fort Worth Light & Power Company, and prohibiting the city government from granting any future franchises except on the basis of charging the same franchise tax that the city had imposed on my company, viz., 3 per cent. After a very stubborn fight before the legislature we won.

Soon thereafter the mayor and city council came up for re-election and I opposed them. I had a public debate with the mayor, Judge W. D. Harris, before a huge, appreciative audience. The mayor and all of the council were defeated.

When the Clay County gas field was developed I had a very valuable franchise with no gas lines, and a was during this period [illegible] government [illegible] general, and [illegible] a [illegible] I found [illegible] They said that they were [illegible] I realized that I had [illegible] they could only report [illegible] to [illegible] as a [illegible] I [illegible]

[illegible] to a [illegible]

In the [illegible]

[illegible]

[illegible]

small electric plant; the Fort Worth Light & Power Company had gas lines throughout the city and a large electric plant, but a very short term franchise which it could only renew on the basis of paying a 3 per cent franchise tax.

Both the Texas Company and the Standard Oil desired to build gas transmission lines to Fort Worth and Dallas. The Standard not only had the gas but also some agreement with Mr. H. A. Kahler and Messrs. Hodenpyle and Walbridge, then owners of the Dallas Gas Company. Mr. J. S. Cullinan sought and obtained an option on two-thirds of the Stock of my Consumers Light & Heating Company, with its franchise.

At Mr. Cullinan's request I went to New York to assist in his negotiation with the Standard Oil. During this negotiation Mr. C. N. Payne of the Standard offered me a profit of $500,000 for my Consumers Light & Heating Company stock, and to indemnify me against damages for breach of my contract with Mr. Cullinan, which I refused.

These negotiations resulted in The Texas Company's acquiring a controlling interest in the Consumers Light & Heating Company, and also the gas plant of the Fort Worth Light & Power Company. The Standard built the transmission line to Fort Worth and Dallas (now the Lone Star Gas Company) resulting in the organization of the Fort Worth Gas Company, of which I was the first president.

The Electric Bond & Share Company acquired my electric plant and also that of the Fort Worth Light & Power Company, and organized the Texas Electric Company. I retained one-third of the stock of the Gas Company and a very substantial interest in the Texas Electric Company, which I afterwards sold at an aggregate profit of about $250,000.

[illegible]

Both the [illegible] Company [illegible] Hutchinson and Wichita [illegible] Gas Company. [illegible] Company [illegible]

At the [illegible]

These [illegible] Company [illegible]

The [illegible] Company [illegible]

I was the author of the oil and gas conservation law and the joint author with the Hon. Ben Cox of Abilene, of the law giving the Texas Railroad Commission jurisdiction to fix and regulate the business of gas transporting and distributing companies. As a member of the platform committee of the State Democratic Convention I had these measures made platform demands of the party and followed them up, going to Austin and working with the Legislature for their enactment. The oil and gas conservation bill was enacted by the Legislature as I wrote it, without any change. The Lone Star Gas Company bitterly opposed the adoption of the gas pipe line bill, and it failed of passage until the fight was taken up by the mayors of the State, headed by Mayor Frank Wozencraft of Dallas.

VIII

Farmer and Rancher

I LOVE LAND. Farming is my hobby if I have one, and it is an expensive one. I have always made money in buying and selling farm and ranch lands and city property, and from oil, but have lost money farming and ranching. I established the Horseshoe Ranch at Hickory, Oklahoma, then Indian Territory, subsequently increasing my holdings to approximately 25,000 acres of land, where I farmed about 1,000 acres and fattened several thousand steers annually. I first acquired the Trout Ranch, about 1908 or '09, and some years later when I incorporated the Horseshoe Ranch Company I made my son, A. J. Armstrong, manager, and my nephew, Y. Q. McCammon, secretary-treasurer. About 1911 I bought 3,000 acres in fee, and a half interest in a large acreage under lease, together with a half interest in the stock of the Americana Ranch in Hidalgo County, Texas, and operated it as a partnership with Sam Lane.

HORSESHOE RANCH

The editor of *The Cattleman*, official organ of the Texas & Southwestern Cattle Raisers Association, wrote an article describing a visit he made to my Horseshoe Ranch, which I quote in part:

> ### LITTLE JOURNEYS TO GOOD RANCHES
> ### A Day On The Horseshoe Ranch
> By A. C. Williams
>
> In those early days of which we hear so much, the successful ranchman did not find it necessary

to keep an elaborate record of his business transactions. But times have changed, and today many of the larger ranches are applying modern business methods to their management, and keeping accurate cost records of their business. A splendid example of this modern ranch is the Horseshoe Ranch of Hickory, Oklahoma. When an invitation was extended me recently to visit the ranch I was not slow to accept.

In company with Judge Geo. W. Armstrong, president and principal stockholder of the ranch, John Sparks, president of the Stockyards National Bank of Fort Worth, and F. L. Miller, also of the bank, I left Fort Worth about noon via the Santa Fe Railway, arriving at Sulphur, Oklahoma, at sunset. There we were met by Judge Armstrong's son, A. J. Armstrong, general manager of the ranch, who loaded us into a new car, and after a brief tour of the Government Park and a taste of the water from the Sulphur spring, we headed for the ranch twenty miles east.

This was my first trip through that section of Oklahoma, and what a surprise it was to me to see the rapid development of this country from an open range to a farming country. Hundreds of cattle were once shipped from Texas to this section of Oklahoma, fattened on grass and then shipped out to market. But a wonderful change has come about. Those vast prairies have been cut up into smaller pastures, and instead of the larger herds of yesterday, one finds today scores of smaller ones of much better quality. . .

We hurried on, but finally dusk overtook us, and here and there were plainly visible the lights in neighboring ranch and farm houses. Passing through the little town of Hickory, I noticed in the distance what appeared to be the glow from a well lighted village, and turning to Judge Armstrong, I asked, "What town is this we are approaching?"

"Why," he replied, "that's the ranch. We pump our water at night, and while the engine is doing this we simply attach it to the dynamo and make our electric lights." Further inquiry brought out the fact that all buildings on the ranch are lighted by electricity, and that the cost, considering the convenience and the further fact that the danger of fire is greatly lessened, is possibly no more than by the old method.

Presently we reached the ranch, and I shall not soon forget the bright lights and coziness of the ranch house. Soon we sat down to satisfy our never failing appetites, at the table which had been prepared by the faithful housekeeper. I shall not undertake to describe that meal to you. Suffice it to say that one of the doctrines of the Horseshoe Ranch is to raise home necessities at home, and verily the table was groaning under its load of home grown products of choice variety.

After supper we sat around the table and discussed various features of the ranch development, and plans for the future. Briefly, here it is as I remember it. Seven years ago Judge Armstrong bought 2,000 acres of this land. For a year or two it was leased out for grazing purposes, then he decided to buy up adjoining property and develop it into his ideal of a ranch. Since that time his land holdings have increased to around 14,000 acres, and in addition 12,000 acres of leased lands. He organized the Horseshoe Ranch Company with a capital of $100,000, the stockholders being: Judge Geo. W. Armstrong, president; A. J. Armstrong, vice-president; and Y. Q. McCammon, secretary-treasurer.

Accurate cost records are kept on every department of the business. Modern labor saving machinery of all kinds is used extensively, the value of the machinery now in use approximating $20,000. A blacksmith shop is maintained where

all machinery is mended and kept in splendid running order; and the ranch horses and mules shod. A liberal patronage is also received from the outside. The ranch store has developed into a fine revenue producer, doing an annual business exceeding that of many mercantile establishments of our modern villages.

The products of the farming end of the ranch this year were approximately 20,000 bushels of oats, 4,600 tons of hay including about 700 tons of alfalfa, 1,200 acres in cane for silage, 800 bushels of potatoes, 300 bushels of onions, 15 acres in melons, and fruit and other products in proportionate quantities. In addition, 5,000 gallons of molasses to be sold to wholesale grocers.

Last year 200 hogs were butchered on the ranch for local consumption and sale through the store. An expert butcher was employed to supervise the work. The hams were smoked with hickory logs and cured by the famous recipes for Virginia hams. The outside demand exceeds the supply, and it is certain that a much larger number of hogs will be slaughtered on the ranch during the coming winter months. A dairy herd of about 75 head is kept on the ranch, the butter fat being shipped out to creameries in neighboring cities.

The hour was growing late, and we retired for the night that we might be better prepared for the activities of the coming day.

Shortly after daybreak we arose and while breakfast was in the course of preparation went out to take a stroll and view the ranch houses and equipment. True, there is little spectacular about these buildings, but one is deeply impressed with the fact that they have been planned and built for service and comfort. Off to one side are the three ranch houses, fully equipped with all modern

conveniences. On either side are groves of trees and beds of beautiful flowers; and to the rear a large, well enclosed park where dwell seventy deer and hundreds of squirrels. To the right is the large vegetable garden and vineyard, and farther on are the store and office, implement building, granary, horse and mule barns, dairy barn, poultry sheds, blacksmith shop, twin silos, corral, dipping vat, and other outhouses.

Scattered over the ranch are more than thirty houses for employees. Farther on is the power plant from which go out approximately five miles of underground pipes connecting all buildings with the water system. Fire plugs are stationed throughout the grounds and the ranch employees are thoroughly organized for fire fighting, holding practice at regular intervals.

In front of the main residence stands a sign with letters big and broad which reads, "WELCOME." Inquiry brought forth the information that on special occasions neighboring stockmen and farmers are wont to gather here for picnics, ball games and other sports. And truly the visitor who enters their portals is made to feel the sincerity of that welcome.

The entire ranch is well watered by some thirty odd surface tanks. The first cool spell, while very mild, had served to send a few ducks down from the north—and going by the store we loaded in a supply of guns and ammunition.

The first touch of frost had tinged the grass along the hillsides with gold and yellow, and as we went bounding along the grassy trail to the meadows beyond where were grazing hundreds of beautiful white-face cows and calves, I could only murmur to myself: truly this is the life. Here and there were groves of spreading trees that shelter the cattle from winter winds and

summer sun. Off yonder to the right were broad fields of alfalfa, speckled with grazing red sows and their litters of growing pigs. Farther on were the meadows with hundreds of mares with colts grazing by their sides, and sheep eating the weeds and leaving the grass unhurt.

We drove by to see a splendid bunch of two's grazing contentedly on alfalfa; then we journeyed through the hay meadows, where, scattered here and there were numerous stacks of splendid hay of approximately twenty tons to the stack. There they stood, watchtowers of prosperity, waiting for the winter months to come when the grass will be gone and the herds turned in to feast until the coming of another spring.

The ranch is well fenced, in large and small pastures, and the cattle divided into separate classes, and only a short time is required to round up each herd. We rounded up and counted something over 4,000 cattle, 1,000 horses and mules, 1,200 hogs and 1,000 sheep.

As the sun was setting we headed back for the ranch headquarters with a number of ducks and a bird of unknown species bagged by John Sparks. True, we scared up many more ducks. This was due to the fact that the hay stacks had not been especially arranged to enable hunters to creep up unnoticed to the tanks. They have promised to correct this next year in order that I may get up close, take aim, shoot into the bunch and possibly get one duck!

At the close of day we rushed to the station and caught a train back to Fort Worth, each one loaded with a fine ham, syrup, and pecans. And say, I had the last of that ham for breakfast this morning, and as a more poetical writer would probably say, its flavor lingers with me, sweet and tender, like the memory of my visit to the ranch.

Mrs. Mamie Allen Armstrong

The ranch had an exceptionally good year in 1917 but I had made other investments and wanted to sell. I first sold off 3,300 acres in Johnson County at $20 per acre, and the following year I sold the balance of the ranch.

An Oklahoma paper published the following article on the subject:

THE PASSING OF RANCH LIFE IN OKLAHOMA

By William Dee Little

> The famous *Horseshoe Ranch*, located in the southern end of Pontotoc County, Oklahoma, and owned by Judge Geo. W. Armstrong of Fort Worth, Texas, has been sold and will be broken up into several small farms. It is understood the consideration was around $200,000, being the largest real estate deal ever made in this county.
>
> Horseshoe Ranch is the last land-mark of the old order. Twenty years ago practically all the country hereabout was in native grass and hundreds of head of cattle were shipped in from Texas, fattened on the long, luscious grasses and then shipped to market. It is different now. Gradually the farmer has encroached more and more upon the domain of the cattleman, until there is little native grass land left.
>
> The rolling prairie lands in the extreme southern end of this (Pontotoc) county and the northern end of Johnson county have held out longest against the turn plow. Here in this territory have existed many of the old time cattle ranches. Here may still be seen the historic cowboy and the fabled cow pony. Here one can still hear the distant roar of the timber wolves and the bark of the coyotes.
>
> From the north, from the west, from the east and from the south the farmer and the plow have been pushing in to get a bit more territory here

and a bit more there. Like a wild thing with its back to the wall, the country from the village of Pontotoc on the east to Hickory on the west, has stood and fought off the man who would disturb the native grasses.

The Horseshoe ranch-house was built on the southern side of a heavy belt of timber, and was so located that every cool southern breeze of summer would waft through the building, but it was protected by the timber from the cold winds of winter. East of the ranch-house was a tennis court, as well equipped as any in the cities. Near the house, in the broad prairie, a baseball diamond was laid out. Many Sundays the best ball game and the best tennis matches in this part of the state were to be seen on this ranch. Spectators would go out from Roff, Hickory, Ada, Sulphur and Fitzhugh.

Under the shade of the spreading oaks a swimming pool was built, which was enjoyed by men and women of the ranch as well as the many and frequent guests. . . In the timber adjacent to the ranch headquarters there is still a herd of deer—probably the only herd in this part of the state. While the law protects the deer against the gun of either friend or foe, guests would often get a glimpse of this animal in his native habitat.

Guests from many states came to visit and enjoy Horseshoe Ranch. Governors, United States senators, congressmen, judges, and other men high in public life have forgotten the cares of office while they shot quail on the ranch, or with rod and line have played with the trout and bass in Little Blue. It is reported that some of the most famous guests were permitted to bag a deer, but of course this is rumor only.

As Judge Armstrong is well known in financial circles of the East as well as the Southwest, he often had a request from some father in the

cities of the East for his son to have a try at ranch life. So it has happened many times that the parlor reared son of a rich easterner has landed at Hickory with a view of telling the Horseshoe folk how to handle cattle. Such boys have been given the regular cowboy initiation and then taught to ride and rope and otherwise be a man of the open. These boys have gone back home wiser, better, and physically improved for life.

Those who have been on the ranch for years like to tell of the "tenderfoots" who have been put through the grueling process of becoming a cowboy. Some have weakened under the strain and have hied back to the city, but most of them have been brave enough to tough it out and learn the game.

A large percentage of the early cattlemen here were college graduates. The life offered great attractions, financially and sentimentally. An open air life, an atmosphere flooded with sunshine and full of ozone furnished a setting for the college athlete and the man with vision for big things.

The sale of the Horseshoe Ranch is no surprise to cattlemen in this country or to others who keep informed about the trend of the livestock industry, but there are many of us who regret to see the old order pass.

Allen J. Armstrong

Shortly after purchasing land in Mississippi and moving my cattle there from Oklahoma, I wrote an article that gives a picture of the country as I then saw it, while it was still new to me, which was published in *The Cattleman* of December, 1917.

FROM COTTON TO CATTLE IN MISSISSIPPI

> My friends and others have asked me so many questions about Mississippi and about my experience in moving cattle to that state, and there is such widespread interest in the development of the cattle industry, that I feel warranted in publishing my experience and such information as I have.
>
> I have bought and leased a number of plantations in Adams County, Mississippi, on the Homochitto and Mississippi Rivers, and on the Mississippi River in Madison Parish, Louisiana, at a cost ranging from $3 to $10 per acre for the land bought, and from 10 to 50 cents per acre for land leased.
>
> These plantations vary in size from 500 to 3,000 acres, the average being about 1,500 acres. They were all highly improved and in a high state of cultivation before the Civil War, many of them having "mansion" houses that cost from $5,000 to $100,000, with numerous negro cabins, and many of them with a cotton gin, store, and negro school house.
>
> Most of the plantations are now owned by estates, banks and other absentee landlords who have never personally operated them but have always rented them out to the negroes to be planted in cotton and corn and peas on the basis of supplying the negro with teams, tools and provisions. When the boll weevil spread over the country the

owners ceased to "furnish" the negroes, with the result that many of them left, and those that remained could only farm a few acres with an unfed pony or mule, and with the further result that the land has yielded practically nothing and has grown up in timber, brush and grasses. Perhaps two-thirds of it can still be classed as cleared or open land. Adams County is no doubt typical of most of the boll weevil section of Mississippi, Louisiana, Georgia and Alabama, but I am writing only of the part lying adjacent to the Mississippi River; for I know very little of the balance.

My observation is that the farther you get away from the river valleys, the thinner the soil and the poorer the grazing. With the exception of the valleys of the Mississippi and Homochitto Rivers, Adams County is very hilly—some of it mountainous in appearance—the hills rising perpendicularly about 200 feet above the valley. But both hills and valleys are classed by the government soil survey as being in the "Memphis silt" district. The soil of both is from five to fifty feet deep, very fertile, and capable of great development with proper cultivation and rotation. It is the finest clover, pea, peanut and potato country I have ever seen, and one of the best corn, oats and cane countries. These crops have only been planted in a small way but they are sure crops.

The average rainfall is 50 inches, which is well distributed. The harvesting months of September, October and November have light rainfall. Corn produces from 15 to 100 bushels, and oats from 25 to 75 bushels. This land—rainfall and soil considered—in any other section of the United States that I know anything about, would be worth from $50 to $200 per acre. It is almost incredible that it does not sell for more.

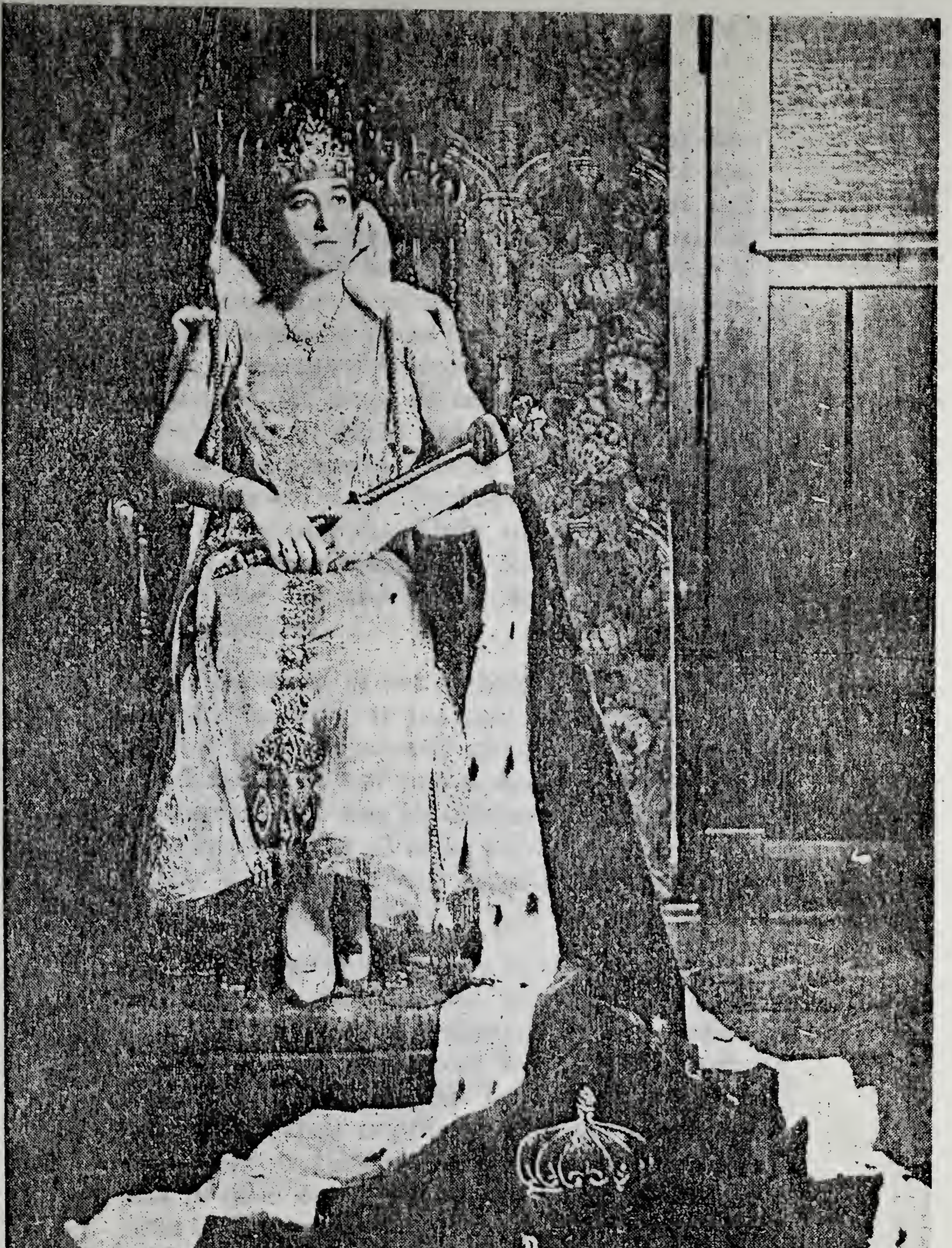
The people are fine, open hearted, hospitable Southern folks who have not yet become deeply

imbued with commercialism. They are "the salt of the earth." There appear to be no cow thieves, socialists or dynamiters among them. Schools and churches for the negroes are abundant; and I have never seen finer roads. They have worn through the silt of the hills with the use of years until they are now deep cuts with overhanging trees, resembling "lovers' lanes."

In the present condition of the land I estimate that it will take from four to five acres to pasture a cow, but there are many bermuda grass pastures where one acre will support two cows the year through. The ideal pasture is bermuda grass for the summer months and burr clover for the winter. When a farm "lays out" a year it comes up in bermuda grass and lespedeza, probably from seed blown by the wind. The sage grass makes its appearance about the third year and grows very rank, and will shade out the bermuda and lespedeza in two or three years unless it is kept down by pasturing.

The sage grass is relished by cattle when it is short, and is apparently as good as our Oklahoma sage whcih we value so highly. Lespedeza, which springs spontaneously all over the country, resembles alfalfa, having a smaller leaf and about the same food value. You can usually get but one cutting from it in the fall, which makes from one to three tons to the acre of hay, which is about equal to alfalfa. It is customary to sow lespedeza in the spring on the growing oats planted in the fall, thus getting a cutting of both. In addition to these summer grasses there is a great deal of switch cane in the hills which will keep cattle in fine condition in winter; and buckvine, swamp grass, buffalo weed and wild vetch in the river bottoms, upon which they will fatten.

It is an ideal stock farming country and its development will be in that direction. It is good



Queen Anne Mae
of the House of Armstrong

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alike for cattle, hogs and sheep. I think it is conservative to say that an acre of any of the Memphis silt country set in bermuda grass and burr clover will keep a cow fat the year around, and the cow will keep the acre fertile. There is also a grass that is as universal as lespedeza, and as great a pest so far as farming is concerned, as Johnson grass—called coco or nut grass. This grass puts out many runners under the ground, upon which are found little black oily nuts, from each of which springs another bunch of grass with its runners and nuts. The hogs will fatten on it as they do on peanuts. There are also pecans and pignuts in great abundance. Sheep and goats are needed for the underbrush, and fatten on the clover and peas.

The country is not without its drawbacks as a cattle country. It has cold spring rains, but short winters and an early spring. In the bottoms the horse fly is bad in the month of June, and mosquitoes and flies at different periods in the summer. Worst of all is the prevalence of charbon which is sometimes very destructive, especially among horses and mules.

My faith in the country as a cattle country, however, has been justified to date. The pure bred Hereford and Shorthorn cows and heifers that I have heretofore bred to registered Shorthorn bulls, I will hereafter breed to Brahmas. I think the Brahma is pre-eminently the animal for that country. His hide is about twice the thickness of other cattle, and due to that fact rain and ticks and mosquitoes and flies do not bother him so much, and he is reputed to be immune to charbon. Besides, he is strong and active and will not bog, and is always fat.

It is now too late to move cattle this season to any part of that country except the river bottoms. They will do well all winter on the

George W. Armstrong, Jr.

> Louisiana side of the river which is dyked, and on the Mississippi side until the river overflows. There is usually an annual overflow of the Mississippi River which generally occurs about February and continues for about sixty days. It rises only a few inches a day. You have about three weeks notice of its probable maximum rise, from the daily published notice of its stage at Cairo, Illinois. This gives ample time to move cattle to the hills on the Mississippi side of the river, or behind the levee on the Louisiana side.

⁂

I bought these several plantations in Mississippi with the view of retiring. Shortly thereafter our country entered the first world war. I did what I could to support the Government's war activities: I subscribed $25,000 for Liberty Bonds, was a member of the "Limit Club" for War Stamps, made substantial contributions to the Red Cross Society, etc. The Government appealed for the production of food, using the slogan, "It takes food to win the war," and I volunteered my services. I wrote my Congressman as follows:

> I have enlisted myself as a private in the "Army of the Commissary." Having recently acquired plantations in Mississippi, I intend to put the land in foodstuffs this year, which, but for the necessity of my country I would not do, because of the enormous expense of farming under high pressure. I shall keep and breed my old cows, which I usually sell. It is my hope and my expectation, the seasons being favorable, to produce 10,000 tons of hay, 2,000 tons of corn and oats, 2,000 tons of beef, pork and mutton, and 300 tons of potatoes and peas.

Instead of shipping to Mississippi 1,000 head of high bred cows as I originally intended, I shipped 4,500 head

that cost delivered about $100 each, and 700 horses and mules that cost about $75 each. The State of Mississippi had been put above the quarantine line prematurely. I shipped tick free cattle. The result was that they had to be kept in small pastures and dipped every two weeks. The summer was followed by a cold, wet winter, with the further result that I rounded up only about 1,500 cattle and 400 horses and mules the following spring.

◆

Adams County, Mississippi, is the very heart of the ante-bellum, aristocratic South. It is divided into plantations ranging in size from 500 to 3,000 acres, each plantation having a name and originally a plantation "mansion house," some of which are still in existence. With the advent of the boll weevil, "King Cotton" was no longer king; heirs moved away, and many of the plantation homes were destroyed by fire. Much of the land grew back in timber. The land, although very fertile, was then cheap. I first bought the Sligo Plantation with its fine ante-bellum home and 2,500 acres of land, and subsequently increased my holdings to more than 40,000 acres.

In the beginning I bought the land for grazing purposes and did not desire timber, but have since sold enough timber to more than pay for the land. The cheapest and best land was the valley land of the Mississippi and Homochitto Rivers, because it was subject to overflow. I thought the land could be reclaimed, and bought about 18,000 acres in these valleys. I have reclaimed about 6,000 acres on the Homochitto River by digging the Armstrong Canal and thereby opening up the mouth of the Homochitto River a distance of about seven miles—a job that required about twenty years. The United States Government (Mississippi River Commission) has now taken it over.

I am still a farmer and am still losing money at it. I cultivate about 2,500 acres in corn, cotton, oats, hegira, soy beans, clover, alfalfa, vetch, and lespedeza; and rent to negro tenants about 2,500 acres for corn and cotton. I have at this time about one hundred families of negro tenants. Land is rented to a "half tenant" on the basis of my furnishing the team, farming equipment and seed, and the tenant furnishing the labor only—and paying as rent one-half of the cotton and corn produced. He lives on the place and receives money advances or credit for his expenses throughout the year; he has the free use of additional land for whatever he wishes to plant for his own use, vegetables, potatoes, peanuts, sugar cane, etc., and pasture for his stock. The "fourth tenant" provides his own equipment, pays one-fourth of the cotton and corn crop as rent, and receives the same benefits and privileges as the "half tenant." Credit is extended also to the "lint cotton tenant" who rents land on the basis of paying a fixed number of pounds of lint cotton; and to the "cash tenant" who pays a stipulated cash rent when his crop is harvested.

My farm equipment comprises tractors, disks and cultivators, trucks, cotton chopper, cotton picker, corn puller, hay mowers, power hay baler, five combines, cane mill, grist mill, bulldozer, road grader, dragline, etc. Mechanized farming, however, is "not what it is cracked up to be"; at least I can't make it pay. My profit from my plantations has been from the sale of timber, and lately from oil leases and the production of oil.

There are three prospective wells now drilling on my Mississippi property from ten to twenty miles apart, which, if successful, will open up three oil fields and prove up a very large part of my land. I can not claim any credit for selecting oil land in the beginning—that was providential—but I am entitled to some credit for holding on to it through trying times.

IX

War Contractor

World War I

THE BEGINNING of the losses that finally culminated in my bankruptcy resulted from two contracts made by Steger & Company with the French Government during the first world war; one was for the delivery at French ports of 20,000 horses at $262.50 each; the other for 30,000 tons of hay, at, as I remember, $50 per ton. In 1915 I was in New York *en route* to South America with the view of purchasing a ranch, when I was approached by Mr. George A. Carden and Col. E. D. Steger to form a partnership with them and Mr. C. E. Schaff (then president of the Missouri, Kansas & Texas Railway Company), to take over and carry out these contracts.

I made the initial investment of $25,000 for my cotton exporting firm of Hubbell, Slack & Company, but my associates in this firm were not pleased with it and I took it over. I became an unlimited silent partner in the firm of Steger & Company, of which Messrs. Carden and Steger were the managing partners. Soon after my return home from South America Mr. Carden wired me that they could go no further and urged me to come to New York for a conference.

I found a desperate situation. The banks were threatening suit; we had several thousand horses scattered all over the country that the banks had paid for and that

were eating their heads off at $1.50 per day, and no boats to move them and no money with which to pay charter fees for the boats if we could get them.

The banks had been made many promises which had been broken, and they had lost confidence in the management. My first step was to call a meeting of the bankers and to frankly explain the situation to them. They agreed to extend additional credit on condition that I take over the management of the firm, to which we agreed. I spent four miserable months at the Waldorf Astoria Hotel in New York City, where we had our offices, getting the business in fairly good shape.

I became so hungry for home that I left Mr. Carden in charge and went home for a Christmas vacation, cautioning him against chartering the two boats that had been offered us but which the insurance companies refused to insure. Boats were scarce and it was expensive to board horses, and so Mr. Carden took the long chance and chartered the boats; the horses were swept away by a storm, and there was no insurance.

We had a similar disastrous experience with our hay contract. We had eight boats being loaded with hay at Texas City when a storm swept them out to sea, which delayed loading them for several weeks. Our charter contracts called for demurrage of from $800 to $1,000 per day per boat. The charterer, Mr. Orth, sued us for this demurrage and attached our funds in the banks, which embarrassed and injured us very much. He was represented by Henry L. Stimson, later Secretary of War.

I do not recall the exact amount of our losses, but they were very heavy and it became my job to liquidate the partnership. Mr. Schaff and I were able to pay our *pro rata* part, but Messrs. Carden and Steger were not so fortunate. Mr. Carden put up everything he owned

as security. He afterwards made and lost a fortune on the stock market. Col. Steger sought to welsh. I recall a scene in the office when I tried to get him to give a mortgage on his horses. He refused, saying that he would kill any man who came to his lot to take his property. He continued to talk about killing and repeatedly said that the best way out was to kill himself. I finally agreed with him and told him that if I had lost all hope of recovery I would do that very thing, and suggested that he either do it or quit talking about it. He quit talking about it.

My big loss in this transaction was the sale of my Hubbell-Slack stock. At that time I owned sixty per cent of the stock of the company, which I sold for $125,000. Soon afterwards the company made a great deal of money. Messrs. A. B. Slack and Wm. Weatherford each owned 20 per cent which they sold two years later at about $1,000,000 profit for each of them. But for my losses in the Steger firm I would have held my stock and made a similar profit.

I staked both Slack and Weatherford for their interest in the firm, and staked Weatherford a second time, and financed the firm up to the time I sold my stock in it. Prior to their partnership with me in Hubbell-Slack they were both salaried men and neither of them had any money or credit. At the time I faced bankruptcy I was reliably informed that they each had about a million dollars cash. I appealed to them for help.

By appointment I met Weatherford, his lawyer and his brother, at the Adolphus Hotel in Dallas for a conference regarding my situation. They went out to a football game and left me in their room to cool my heels. Upon their return, after a round of drinks, they took up my case in a patronizing way. I was informed that they had concluded that I was hopelessly broke and that there [illegible] He afterwards [illegible]

My big fee [illegible]

[illegible]

[illegible]

was nothing for me to do except to take bankruptcy, and that they would then help me to the extent of $50,000, which I refused.

In the course of the conference Weatherford remarked that he remembered very well about my going out to his house to see him and lecturing him and his wife about their expenses. I asked if he remembered also that he was then overdrawn with the firm of Hubbell-Slack (of which I was the senior member) and that I had staked him for his interest in the firm; that when he had lost it by gambling on the cotton market in violation of his promise, that he offered to let me have his interest and I refused to accept it, and instead, staked him a second time. It was true. It is my recollection that I talked with him and his wife jointly about their extravagance and his overdraft with the firm. His wife was my first wife's sister and a fine woman; she lived at my house prior to her marriage and had been clothed and educated by me. It was a friendly family conference and I did not know at the time that I had given offense.

Slack, also a partner in the firm, was a kind hearted, good man. After selling his stock he went to California where he could enjoy his money, and where he soon died. They eventually made me a loan, well secured by a mortgage on my Fort Worth land, then worth about $500,000. They subsequently sued to foreclose the lien and Mr. Kirby paid them and took over the property.

WORLD WAR II

My experience as a War Contractor during the Second World War is herein related in Chapter XVII.

X

“The Crime of ’20”

I BECAME INTERESTED in the all important subject of *money* in 1907 when I was president of the Stockyards National Bank of Fort Worth and owner of the private banks of Geo. W. Armstrong & Co., at Sour Lake, Saratoga and Batson, Texas. Like a thunder clap out of a clear sky and without reason or warning, the New York banks, which were then the principal reserve banks for the national banks of the Nation under our old banking law, refused to honor the drafts of their customer banks. This forced the banks of the country to "put the lid on" and to refuse to honor the checks of their customers for more than certain arbitrary amounts, usually a maximum of $50 per day, and in some instances as low as $2.50.

The banks resorted to all sorts of devices to conserve their cash. Where there were several banks in a city they pooled their resources and extended credit to members of the pool, usually to the extent of the capital and surplus of the bank. This credit was in the usual form of clearing house certificates guaranteed by all of the banks, and with the additional guarantee of approved collateral of the borrowing bank.

The panic of 1907 demonstrated the weakness of our antiquated banking system, which was no doubt the purpose of the New York bankers who brought it about. They became as vociferous for a change, as the country

bankers and the people. The panic caused many bankruptcies, a general depression in values, and a general stagnation and slowing down of the activities of the people.

I survived the panic and became a student of our banking system and of monetary science. Prior to that time I had been too busy trying to make money to give any thought to the subject of who issued it and why, and its importance. I had taken money *per se* for granted, as we do the sunshine and the air. Fortunately, I had never seriously studied political economy and had no false college teaching about the gold standard.

Woodrow Wilson promised a reform of our banking and currency system in his first campaign for the presidency, and for that reason I became his enthusiastic supporter. He received the convention vote of the State of Texas and was nominated, due in part to the active support of Col. E. M. House and Hon. T. W. Gregory, former Attorney General. It was my privilege to assist them. I wrote numerous newspaper articles and aided in effecting a Wilson political organization in Texas, and was chairman of his Texas campaign committee.

Immediately after his election President Wilson proceeded to carry out his campaign pledges. There was a great contest between him and the city bankers over the new banking system and the character of its currency and credit. The bankers contended that the bank should be a banker's central bank with branches, and with absolute dominion over currency and credit, similar to the First and Second Banks of the United States.

It was President Wilson's contention that the system should be a decentralized one with twelve separate, independently controlled district banks, and with no limit on currency and credit other than the requirements of commerce. Originally the Federal Reserve Act provided that bankers and the people. The great central money bank [illegible], a general [illegible] and a general [illegible] and [illegible] through the [illegible] the people.

I marvelled the press had [illegible] a standard of our banking system and of [illegible]. Even in that time I had been too busy trying to [illegible] to give any thought to the [illegible] of [illegible] and why, and its importance. I had [illegible] to [illegible] and the [illegible]. [illegible], I had never seriously [illegible] political [illegible] [illegible] the [illegible] [illegible] about the [illegible].

Woodrow Wilson promised a reform of our banking and currency system in his first campaign for the [illegible] and [illegible] [illegible] the [illegible] [illegible] that the [illegible] of the [illegible] of [illegible] and [illegible] [illegible] for the [illegible] support of [illegible] [illegible] [illegible]. [illegible] [illegible] [illegible] Wilson [illegible] [illegible] [illegible].

[illegible] [illegible] [illegible] [illegible]. [illegible] a great [illegible] between [illegible] and the [illegible] the new banking [illegible] and the [illegible] [illegible]. The [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] the [illegible] [illegible].

It [illegible] Woodrow Wilson's [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] the [illegible] [illegible] the Federal Reserve [illegible] any member bank could discount its commercial paper and obtain currency therefor without limit. Commercial paper was defined as notes given for agricultural and commercial purposes.

The system was originally in the form of a regional banking system with the regional banks having power to extend credit and issue currency, and the member banks having the discretion to determine their needs for both currency and credit.

It was soon changed *by amendment* to a central banking system with the Federal Reserve Board having all of the power the big bankers desired for it. Originally the member bank could obtain credit and currency to the full extent of the amount of the commercial paper held by it; that was the only limitation; it was automatic.

Following the establishment of the system President Wilson published a statement saying that the people were free of the tyranny of the bankers, that they could proceed without fear in the expansion of their business and the development of the country. But the Congress changed all of that by the amendment giving the Federal Reserve Board power to limit the credit of member banks, and to fix the discount rate.

Promptly after the enactment of this amendment, viz., on May 18th, 1920, the Federal Reserve Board called a conference of the management of the regional Federal Reserve Banks and instructed them to collect their notes, and refuse to extend further credit; and fixed a prohibitive discount rate for the avowed purpose of reducing prices and wages. There followed the disastrous panic and depression of 1920.

Many of the banks that relied on the integrity of President Wilson and the Federal Reserve System, and had extended credit liberally, were forced to close their

doors. This was likewise true of individuals who had borrowed heavily. Approximately one-third of the banks of the country were compelled to liquidate.

The panic of 1920 took me by surprise. I was well informed about the original Federal Reserve Act and its eligible commercial paper (and the greater part of my notes were of that class). But I did not know about the *amendment* changing the character of the System, and about the secret conference of the Federal Reserve Board and its decision to deflate prices and wages. I learned about them after my bankruptcy, and by accident. It was about this time that I wrote my first book, The *Crime of '20*, which had wide distribution.

I began an intensive study of the money question, and banking and currency, in 1921. I read Adam Smith, John Stuart Mill, David Ricardo and other authorities on money and banking and currency. I studied the Federal Reserve Act, subscribed for the Federal Reserve Bulletin and read it carefully. I think I now understand the money question as few men appear to do. The minds of most of them are biased early in life by the false college teaching of the gold standard. I did not have this disadvantage, for up to this time I knew nothing about the subject of money. I assumed that the Government issued money and that it did so honestly in the public interest.

I was amazed to find in the Federal Reserve Bulletin a reference to a meeting of the Federal Reserve Advisory Council with the Governors and banker members of the directorates of the twelve Federal Reserve District Banks, at which they decided to contract currency and credit for the purpose of reducing prices and wages, and thereby checking inflation.

People generally were astounded to learn that the Federal Reserve System that had been so recently estabtimes. The [illegible] was a [illegible] which had [illegible] heavily, [illegible] the banks of the country were compelled to suspend.

The panic of 1907 had set me to thinking. I was well informed about the [illegible] banking systems that had an elastic currency [illegible] over the greater part of our [illegible] changing the [illegible] of the Federal Reserve Board and its [illegible] It was about the time that I wrote my first book. The [illegible] of '30 which had been [illegible]

I began an intensive study of [illegible] of banking and currency [illegible] John Stuart Mill, [illegible] and other authorities on money and banking and currency. I studied the [illegible] Act, [illegible] the Federal Reserve [illegible] and [illegible] I think I [illegible] the [illegible] The study of most of these [illegible] of the gold standard. I [illegible] for up to this time I knew nothing about the subject of [illegible]

I was [illegible] the Federal Reserve [illegible] to a meeting of the Federal Reserve Advisory Council with the Governors and [illegible] members of the [illegible] of the twelve Federal Reserve Banks at which they [illegible] for the purpose of [illegible]

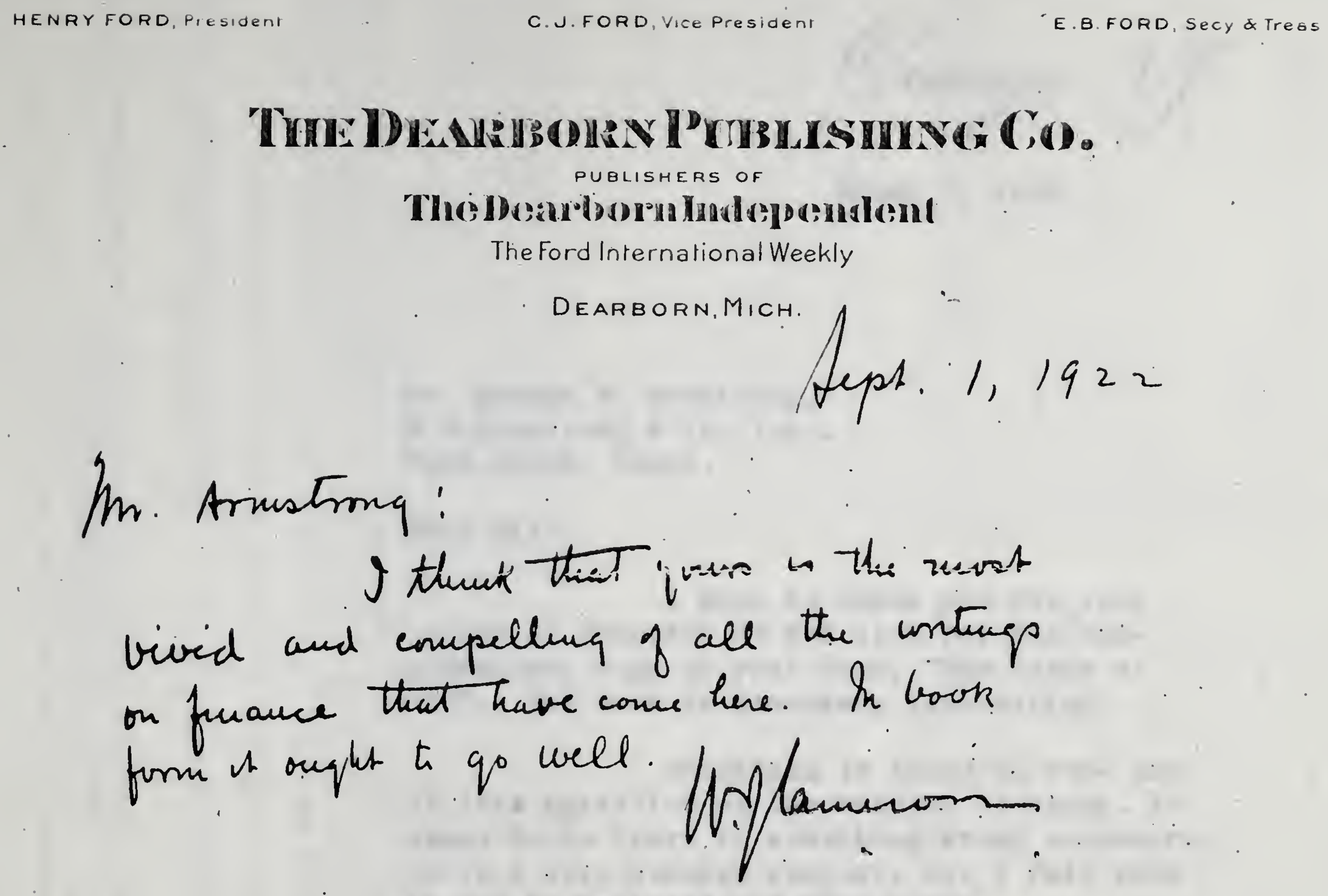
People generally were interested to learn that the Federal Reserve System that had been so [illegible] lished with such great promise, had been perverted to bring about a depression which it was organized to prevent. My book was favorably discussed by the late Senator Robert La Follette, Sr., Senator Thomas Heflin and others.

The great scientist, Thomas A. Edison, who was a student of the money problem, wrote me about my book.

Mr. Wm. J. Cameron was the editor of Mr. Henry Ford's magazine, The *Dearborn Independent*, and the reputed author of The *International Jew*. He was an authority on the gold standard and also understood the Jewish problem. He also wrote me after reading the manuscript of my *Crime of* '20.

The *Manufacturers Record* of December 21st, 1922, gave good space to my letter quoting the official record of the historic secret meeting of the Federal Reserve Board and Federal Reserve Advisory Council.

I did not have a thorough understanding of monetary science and its Jewish origin when I wrote my first book, The *Crime of* '20. I regard it as inferior to my subsequent books, but it has had a much wider circulation than any of them. Although the last edition was published more than twenty years ago I still get orders for it.



HENRY FORD, President C. J. FORD, Vice President E. B. FORD, Secy & Treas

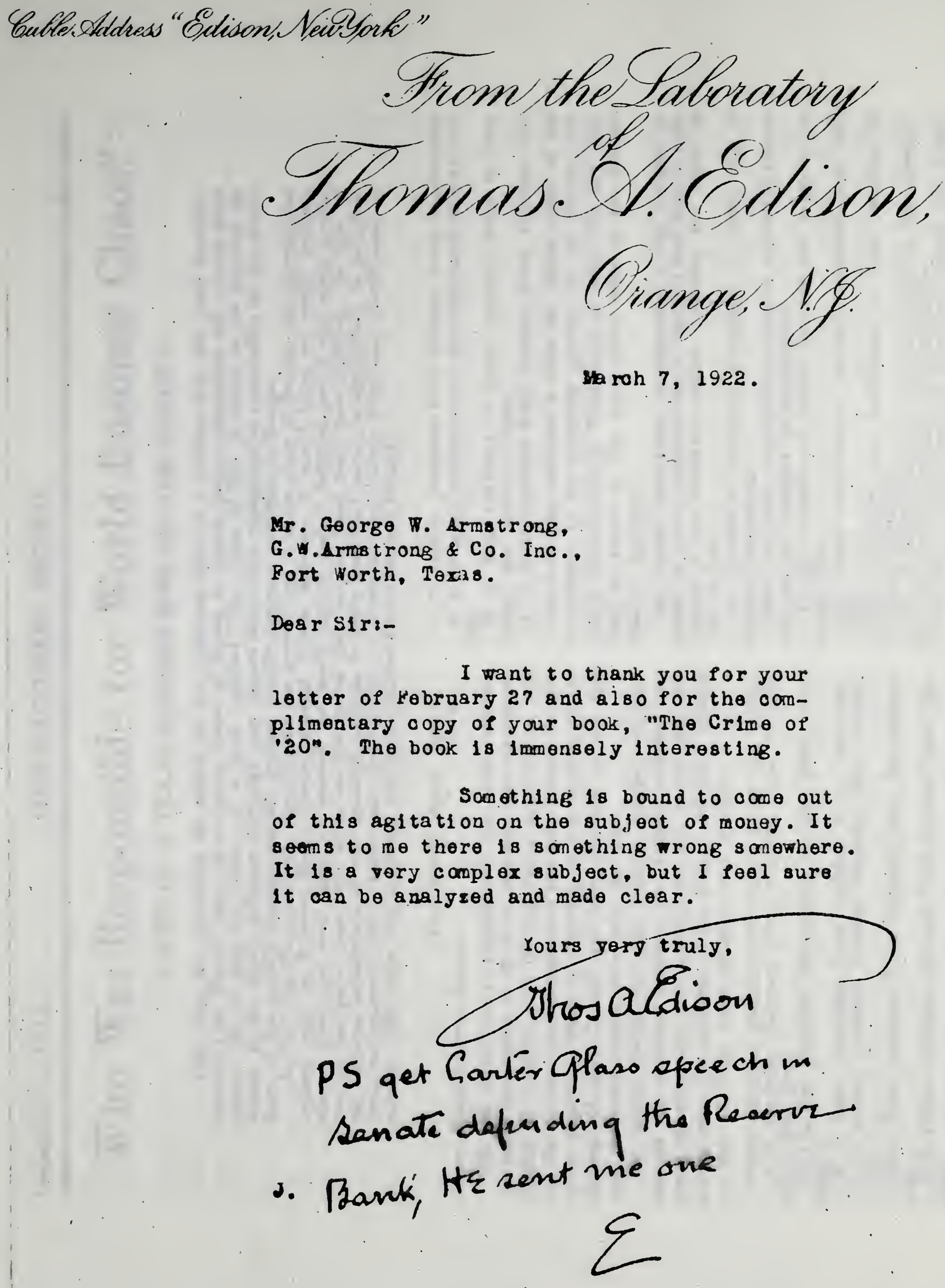
THE DEARBORN PUBLISHING CO.
PUBLISHERS OF
The Dearborn Independent
The Ford International Weekly
DEARBORN, MICH.

Sept. 1, 1922

Mr. Armstrong:

I think that yours is the most vivid and compelling of all the writings on finance that have come here. In book form it ought to go well.

W. J. Cameron



Cable Address "Edison, New York"

From the Laboratory
of
Thomas A. Edison,
Orange, N.J.

March 7, 1922.

Mr. George W. Armstrong,
G.W.Armstrong & Co. Inc.,
Fort Worth, Texas.

Dear Sir:-

I want to thank you for your letter of February 27 and also for the complimentary copy of your book, "The Crime of '20". The book is immensely interesting.

Something is bound to come out of this agitation on the subject of money. It seems to me there is something wrong somewhere. It is a very complex subject, but I feel sure it can be analyzed and made clear.

Yours very truly,

Thos A Edison

PS get Carter Glass speech in Senate defending the Reserve Bank, HE sent me one

E

Who Was Responsible for World Business Chaos?

VIEWS OF A TEXAS BUSINESS MAN ON THE SUBJECT.

[Mr. Geo. W. Armstrong the author of the following letter is a leading iron and steel manufacturer of Fort Worth, Tex., the owner or lessee of fifteen or twenty cotton plantations and a large stock raiser. He is also the author of a book entitled "The Crime of '20" in which he has detailed the history of the whole deflation campaign now almost universally recognized as responsible for the breakdown of the world's business and the present chaotic business conditions in Europe.

In 1917 the Manufacturers Record took the ground that if at the close of the war the international bankers and the Reserve Board should attempt drastic deflation it would bring on world business chaos. Over and over again we warned the world against such a deflation policy and every prediction on that point from 1917 when we first stated the case has been more than fulfilled. In view of the supreme importance of our financial methods to every business interest, to agriculture, to manufactures, to commerce and to trade and eventually to our whole banking system every man should seek all possible light upon the problems involved.—Editor Manufacturers Record.]

Fort Worth, Texas, Dec. 12.
1922.

Editor Manufacturers Record:

Will you permit me to suggest that you attach entirely too much importance to W. P. G. Harding and his responsibility for deflation. He did not decree deflation; he was but the servant, the mouthpiece of the deflationists. If Miller or Hamlin or Platt or Warburg or any member of the Federal Advisory Council had been Governor of the system, the result would have been the same.

The record shows that the Federal Advisory Council ordered the deflation program and thereby inflicted this great calamity upon our country and the world. The following were the members of the Federal Advisory Council on May 18, 1920, when deflation was decreed:

Philip Stockton, president Old Colony Trust Co., Boston.
A. B. Hepburn, chairman advisory board, Chase National Bank, New York.
Levi L. Rue, president Philadelphia National Bank, Philadelphia.
W. S. Rowe, president First National Bank, Cincinnati.
J. G. Brown, president Citizens National Bank, Raleigh, N. C.
Oscar Wells, president First National Bank, Birmingham, Ala.
J. B. Forgan, chairman of board, First National Bank, Chicago.
Frank O. Watts, president First National Bank, St. Louis.
C. T. Jaffray, president First National Bank, Minneapolis.
E. F. Swinney, president First National Bank, Kansas City, Mo.
R. L. Ball, chairman of board, National Bank of Commerce, San Antonio, Texas.
A. L. Mills, president First National Bank, Portland, Ore.

The following quotation is from the official report of the proceedings of the quarterly meeting of the Federal Advisory Council held in Washington on May 17th and 18th, 1920, as shown by the June (1920) issue of the Federal Reserve Bulletin:

> The Council has given consideration to the matters included in your communication of April 17 and begs to reply thereto in the following manner, following the order set out by you.
>
> (a) Causes of continued expansion of credits and of Federal note issues.
>
> There are many contributing causes of which the following may be regarded as paramount:
>
> (1) We recognize of course, that the first cause is the Great War.
>
> (2) Great extravagance, national, municipal, and individual.
>
> (3) Inefficiency and indifference of labor resulting in lessening production.
>
> (4) A shortage of transportation facilities, thus preventing the normal movement of commodities.
>
> (5) The vicious circle of increasing wages and prices.
>
> (b) How can the reserve position of the Federal Reserve

Banks be materially strengthened before the seasonal demand sets in next fall without undue disturbance of the processes of production and distribution?

By urging upon member banks through the Federal Reserve Banks the wisdom of showing borrowers the necessity of curtailment of general credits, and especially for non-essential uses, as well as continuing to discourage loans for capital and speculative purposes; by checking excessive borrowings through the application of higher rates.

(c) If steps cannot be taken at this time leading to a more normal proportion between the volume of credits and the volume of goods, when can they be taken?

In our opinion steps should be taken now, as outlined in answer to the last question.

This is a clear, positive direction by the Federal Advisory Council, the directorate of the system, to the Federal Reserve Board to correct extravagance, the indifference of labor, and to reduce prices and wages by curtailing credit, and to do it immediately. It is true that Harding in his address to the Advisory Council recommended this action, but the Advisory Council ordered it. If the Advisory Council had at this fateful meeting directed otherwise there would have been no deflation and the economic conditions of our country and of the world would now be different.

The proceedings of the next quarterly meeting of the Federal Advisory Council held in Washington on Sept. 21, 1920, conclusively fixes the responsibility for the deflation program upon the Federal Advisory Council. The Federal Reserve Board evidently had begun to realize the disastrous consequences of the enterprise upon which it had entered, and it sought further direction from the Federal Advisory Council. The following quotations are from the annual report of the Federal Reserve Board for the year 1920, pages 604-609:

Question by the Board: (1) What are the objects to be attained by the policy of credit control in the existing circumstances? Is the object (a) to maintain or to strengthen reserves? (b) To stabilize the existing situation by prevention of further expansion? (c) To bring about a discriminating deflation by reducing the total volume of credit?

Answer by Advisory Council: Taking the index numbers of the U. S. Bureau of Labor Statistics as the most comprehensive and most scientifically prepared of the index numbers covering the entire period 1913 to 1919 inclusive, we may say that the wholesale price level increased from 1913 to April 1920, 165 per cent; in other words, if one calls the dollar of 1913 a 100 per cent dollar in its purchasing power over commodities at wholesale, the dollar of today is approximately a 38 per cent dollar. * * * This was the condition of affairs when the Federal Reserve Board undertook to exercise its power over credit for the purpose of protecting personal and commercial interests. All experienced business men knew that prices would seek a lower level by gradual process if good judgment and conservatism prevailed, or by a commercial debacle if the illogical, ill-considered and extravagant methods brought about by the war were permitted to continue. Under these circumstances and none too soon, the Federal Reserve Board exercised its power over credit in order to constrain bankers and business men to exercise conservatism and help strengthen commercial and financial conditions. The Board in so doing have accomplished a great work and have demonstrated one of the powers for good which the Federal Reserve System possesses. * * * No one wishes to stabilize existing conditions, but to get away from them to a safer and more conservative level. This would naturally bring about a discriminating deflation by extending credit to such industries as were essential and needed support in order to preserve the general business welfare, and by restraining credit to activities which, though perfectly legitimate, were nevertheless nonessential to the general welfare and should be promoted by the funds of their owners and managers, and not allowed to absorb commercial resources needed for the financing of business closely connected with the public welfare.

Question by the Board. (2) Can a substantial reduction in the volume of credit be effected without injury to the legitimate business of the country and without curtailment of essential production?

Answer by Advisory Council: A substantial reduction of the volume of credit can be effected without injury to the legitimate industry of the country and without curtailing of essential production. Not only this, but such reduction in volume of credit may be made to materially strengthen the credit fabric of the country as a whole. The first and most beneficent effect of the act of the Federal Reserve Board in controlling credit was to arrest the attention of the whole country and to incur high commendation from conservative forces and to incur criticism ranging from mild to violent from certain sections or interests. It made everybody stop and think, and the discussion which ensued showed plainly that the board was right. The psychological attitude of the country towards business immediately began to change, and from wild extravagance and a disposition

to enter into new and ill-considered business there came about a feeling of conservation. People began to ask themselves just where they stood, how much they were really worth, and how they would fare if called upon to liquidate their outstanding obligations. * * * It is generally realized that they can not accomplish such results, recessions in price have already set in and are bound to be more pronounced. Business people will have to liquidate their goods in order to liquidate financial obligations. This will bring about competition in selling throughout the country, something that has not existed for several years, and this competition in its normal and natural course will clarify the situation and bring about normal conditions.

Question by the Board: (3) To what extent has one or more of these objects been attained in each district and in the country at large?

Answer by Advisory Council: The object sought to be accomplished by the Federal Reserve Board has been and is being accomplished in all districts.

Question by the Board: (4) To what extent is it necessary to distinguish between the immediate objective of the policy of credit control and the remoter objective, such as reduction in the cost of living?

Answer by Advisory Council: The immediate effect of credit control is to safeguard the situation, to enable all business to function normally, and the Board should at all times make this clear. Although a logical result may be lower prices and lower cost of living, it should distinctly appear that the Board does not seek to control or regulate prices, but leaves the price level to competition under the law of supply and demand.

This is the unanimous official report of the Federal Advisory Council. Comment can not make this language plainer than they themselves have made it. **It shows that the Board was satisfactorily bringing about the results that the Advisory Council desired to accomplish, as shown by their May report. It shows that prices were tumbling, but were not yet low enough to satisfy them. It shows that the buying power of the dollar and its consequent value was advancing, but that these gentlemen wanted it still higher. It shows that the cost of living was being reduced, but that they wanted it to be made to appear that this was not their purpose.**

Moreover, it shows that they had brought about a world-wide catastrophe, smashing all exchange ratios and making our moneys so high that other countries could not buy our products except at unconscionably usurious rates of exchange to the money changer, and that these gentlemen knew it. It shows further that if they did not actually desire these results that they were willing that others might suffer them in order that the pre-war buying power of the dollar be established.

While there is no official record to establish the fact, the truth is that it was the money trust that ordered deflation. The Federal Reserve Board and Advisory Council were but its agents in the execution of a program that had been prepared for them. Neither Harding nor the Federal Advisory Council originated the scheme. It started with the Bankers Statistics Corporation of New York City, or rather with the bankers who organized and directed the Bankers Statistics Corporation.

The Pujo Commission, appointed by congress to investigate the "money trust" found that such a trust existed and that it was composed of J. P. Morgan & Co., First National Bank of New York, the National City Bank of New York, Kidder, Peabody & Co., of Boston, Lee Higginson & Co., and Kuhn, Loeb & Co., of New York. This is a quasi judicial finding, made after a public hearing more than ten years ago. The power and the personnel of the trust has been greatly extended since that date. Paul Warburg, a partner of Kuhn, Loeb & Co.,—now Chairman of the Federal Advisory Council, and A. B. Hepburn, then president of the Chase National Bank of New York, which is controlled by Morgan & Co., according to the finding of the Pujo Commission, had more to do with conferring upon the Federal Reserve Board its carefully concealed powers than did its reputed authors, Senators Owen and Glass.

These same gentlemen, together with other members of the money trust have more responsibility for the deflation program of the Federal Reserve and banking systems than had Governor Harding. I haven't sufficient data to connect up the other members of the Federal Advisory Council with the money trust, but it is a safe guess that more of them are members

[illegible]

[illegible]

of, or controlled by the money trust than Warburg and Hepburn.

The Federal Reserve System has completely organized, cemented and perfected the power of the money trust, and it was designed for these purposes. It now completely dominates the banking system, fixes prices and wages, and determines the degree of our prosperity. Our complaint therefore should be primarily against the system which can be employed as an instrument of such vast destruction, and secondly against those who control its policies, and only in a minor degree against the agents who have carried out these policies.

The money trust appears to be willing that Harding should be the "goat", although they have sought to keep him in the job. Not one of them has volunteered to accept responsibility for what he did; they all appear to be willing for the public to believe that Harding did it.

Perhaps I am not the one to defend Harding, for I have opposed him and criticized him, and have approved everything you have said about him. You have performed a great public service in your exposure of the administration of the system, and its destructive consequences, but you do not go far enough. The fundamental trouble is the system itself. The cause of truth demands that the responsibility be placed on the law and the money trust.

Geo. W. ARMSTRONG.

[Governor Harding as the mouthpiece and figurehead of the forces behind the deflation work of the Reserve Board was naturally the one upon whom the chief blame should rest, for whether he originated these policies or was merely the puppet pulled here and there by the powerful financial interests, he accepted the responsibility of his work. The MANUFACTURERS RECORD has repeatedly said that the whole Board needed a complete cleaning out and that no seven men on earth were good enough and wise enough to have a complete domination in secret sessions over the business and financial interests of this country, and that practically means over the world.

We think the deflation policy had already been decided on before the action of the Advisory Council and it was only in May that the Reserve Board found it advisable to have some of its advisory bodies make recommendations that they might be in the record for use later on. That was why, for instance, the resolution was passed in the Senate, asking the Reserve Board what, if anything, it was doing to bring down prices and prevent inflation.

The reason we have been particularly attacking Governor Harding is that his reappointment and confirmation by the Senate would have been a definite declaration that the nation, after calm consideration, sanctioned and approved the whole policy for which Governor Harding had become the spokesman and advocate. In this country, there has to be such a thing as personal responsibility. Governor Harding represented in his own person the whole program and policy of deflation. A definite defeat of him, therefore, would represent, as nothing else could, decisive notice to the people that his policies were repudiated. That is why we have emphasized the objection to Governor Harding. He permitted himself to become the instrument of destructive influences and by common consent the battle between the people and these selfish interests has been brought to the issue of whether or not Governor Harding should be reappointed.

Mr. Armstrong's letter, is exceedingly valuable, as are all his writings, and in the main, he states the condition very brutally but very truly. We have never believed that we are going to correct the trouble by a change in the personnel of the Board. Mr. Armstrong is right when he says that the fundamental trouble is the system itself, but that is not the only trouble. The other trouble is in our ignorant conception of what money is and what its function is. We are never going to have any real relief so long as the value of the dollar fluctuates widely and such fluctuation can be controlled artificially at will by a few men in Washington. There are no living beings who can withstand the temptations which such authority induces. The whole object of the gold standard is in theory to prevent the fluctuation of the dollar value and to give an arbitrary measure to values which could not be disturbed by human intervention. Through chicanery and trickery, exactly the opposite condition has been brought about.—Editor MANUFACTURERS RECORD.]

E. G. SENTER
LAWYER
DALLAS, TEXAS

Dallas, Texas, September 21, 1931.

Judge George W. Armstrong,
Fort Worth, Texas.

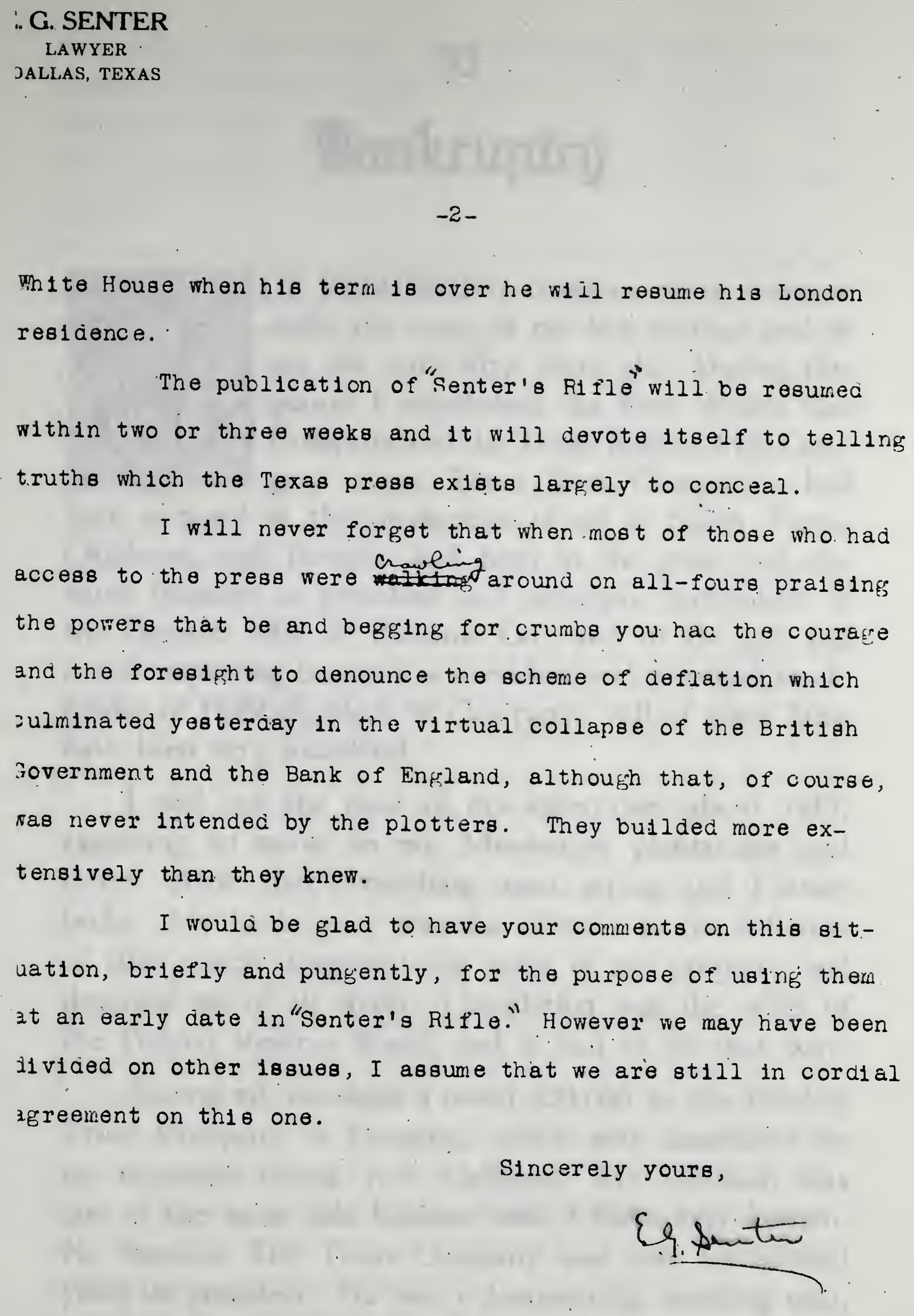
My dear Judge:

In the light of the announcement this morning that England has suspended the gold standard, the stock exchange is closed for the day and the Government of England has appealed to British citizens to stop selling British securities, your book, "The Crime of Twenty," reads like a prophecy.

"The mills of God grind slowly but they grind exceeding small." The group of financiers represented by W.P.G. Harding and Paul Warburg have led the world on to this crisis and now they and their own allies must help to pay for the music.

Every ounce of water in all the stocks of the world is coming out and thousands of men who thought they were getting away with a monster scheme of stealage find themselves penniless and many of them have already committed suicide. In all history there has never been a crime against all the millions of the world aqual to the crime engineered by the crowd of financiers who ever since the War have been seeking to run up the value of money and run down the value of commodities. The world is broke but they are broke with it or if they be not broke their power is broken.

Mr. Mellon will not name the next President and his name will not be Hoover. If the sentiments of four-fifths of the American people shall be respected by the Echo now in the



. G. SENTER
LAWYER
DALLAS, TEXAS

-2-

White House when his term is over he will resume his London residence.

The publication of "Senter's Rifle" will be resumed within two or three weeks and it will devote itself to telling truths which the Texas press exists largely to conceal.

I will never forget that when most of those who had access to the press were ~~walking~~ crawling around on all-fours praising the powers that be and begging for crumbs you had the courage and the foresight to denounce the scheme of deflation which culminated yesterday in the virtual collapse of the British Government and the Bank of England, although that, of course, was never intended by the plotters. They builded more extensively than they knew.

I would be glad to have your comments on this situation, briefly and pungently, for the purpose of using them at an early date in "Senter's Rifle." However we may have been divided on other issues, I assume that we are still in cordial agreement on this one.

Sincerely yours,

E. G. Senter

XI

Bankruptcy

THE PRECEDING chapters relate substantially the story of my first fortune and of my life until fifty years old. During this period I established the Fort Worth Gas Company and the Texas Rolling Mill Company (now Texas Steel Company); had been engaged in the production of oil in South Texas, Oklahoma, and Petrolia; had been in the grain and elevator business as president and principal stockholder of the Denison Mill & Elevator Co.; and in the gin and cotton exporting business as president and principal stockholder of Hubbell, Slack & Company. All of these firms have been very successful.

I sold out the most of my enterprises about 1917, expecting to move to my Mississippi plantations and retire. After that everything went wrong and I went broke. My bankruptcy was due directly to the deflation of 1920 which destroyed the value of my property and deprived me of all credit. Liquidation was the order of the Federal Reserve Board, and it had to be that way.

Among my creditors I owed $20,000 to the Fidelity Trust Company of Houston, which was controlled by my erstwhile friend, J. S. Cullinan. Mr. Cullinan was one of the most able business men I have ever known. He founded The Texas Company and was for several years its president. He was a domineering, exacting man, with very strong likes and dislikes. His three most intimate friends were Judge J. L. Autry, Walter Sharp and

Will Hogg. He fell out with Will Hogg over a trivial matter, and at Mr. Hogg's request I attempted a reconciliation between them. He gave me this message: "Tell Will Hogg that I am an Indian who never forgets nor forgives."

And so he was. He and I had been good friends for many years, but not so intimate as the friends mentioned. When I anticipated that I might have financial trouble, I resigned as president of the Texas Chamber of Commerce and was instrumental in having Mr. Cullinan elected my successor. When the Ku Klux Klan began to develop strength in Texas, a great campaign was organized to suppress it. Mr. Cullinan gave out an interview in the press in which he said he intended to ask the Texas Chamber of Commerce to adopt resolutions against it.

While opposed to such resolutions I decided not to attend the convention which was being held in Dallas. However, Mr. Cullinan had the secretary telephone me to come over, which I did. I found the convention in session, with him presiding. He came from the platform to the center of the hall and sat down by me, rather ostentatiously, as if to say, "Now, damn you, I dare you to get up."

When the resolution was presented I rose in opposition to it. I began by saying that I reluctantly opposed the resolution because it was supported by my friend Mr. Cullinan; that I had stayed away from the convention on that account, and came only at his urgent request; that the subject was entirely outside the functions of the Texas Chamber of Commerce; that I was not at that time and had never been a member of the Klan; that I had been invited to join it but had refused partially because it was anti-Catholic (nor am I a Catholic); that many good Christian people belonged to it and that they had as much

W. B. Hogg. He hit me with "W. B. Hogg [illegible] [illegible], and at Mr. Hogg's request I arranged a [illegible] between them. He [illegible] the message: "Tell W. B. Hogg that I am a Baptist [illegible] [illegible] [illegible]."

And so he [illegible]. He said I had been good enough to many [illegible] [illegible] [illegible]. When I [illegible] that I might [illegible] [illegible], I resigned as president of the Texas Chamber of Commerce and [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] Chamber of Commerce [illegible] [illegible].

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] Mr. Calfee [illegible].

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] Mr. Calfee [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] Texas Chamber of Commerce, [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible].

right to organize a secret society as the Catholics had to organize the Knights of Columbus, or the Jews the B'nai B'rith.

I thought I made a sensible, conservative, dispassionate speech. Mr. Cullinan replied to it rather ill-temperedly and said that while we had been good friends that he would not recognize any man as his friend who would defend the Ku Klux Klan. Perhaps we both would have gotten over it if we had not discussed the subject immediately after the meeting adjourned. He invited me to his hotel and proceeded to lecture me, and I was in no frame of mind for it.

His company, the Fidelity Trust Company, was the only one of my creditors that sued me. I was unable at the time to pay any of them, even the interest. I had to do something about the Fidelity case before judgment, for after judgment it could be recorded and would constitute a lien on all of my real estate and thereby give the Fidelity Trust Company a preference over my other creditors, which I was unwilling to do.

My annual memo of January 1st, 1922, supplemented February 14th of that year, describes in detail my effort to extend my indebtedness and thereby avoid bankruptcy. I attached to this memo a copy of my letter to A. B. Slack, my former partner in the cotton exporting firm of Hubbell, Slack & Company, wherein I sought to get this firm to finance me.

I could get no help from any one except the Hon. John H. Kirby. He was himself without cash but had excellent credit. He proposed to endorse my notes for $500,000, but my creditors wanted and needed money and not additional security. There was nothing to do except to voluntarily take bankruptcy. I employed my friend,

and Mr. Kirby's friend, Senator Joseph W. Bailey, to file a petition in bankruptcy, and I was adjudged a bankrupt May 23rd, 1923.

I was deeply humiliated by my bankruptcy. Perhaps I needed to be taught a lesson in humility. My fortune was swept away over night and I had but little left to show for it. I regretted particularly that I had done so little good with my opportunities and money. I had established a few young men in business and had put several young people through school. I had given about $10,000 to Polytechnic College (now Texas Wesleyan College); had joined Messrs. Capps, Cantey and Bryce in donating the site for Texas Christian University, the land then estimated to be worth $100,000; and in company with Dr. H. A. Boaz and Rev. Sam Hay (both now Bishops), we initiated the movement at Southwestern University in Georgetown, to build a new Church school (now Southern Methodist University). We sought to bring it to Fort Worth but Dallas out-bid us—unfairly it was conceded by some. I remember a walk we three took along the banks of the San Gabriel River after presenting our case to the Board of Trustees. Sam Hay remarked with prophetic vision, "We have today made Church history."

While I am not a Church man I firmly believe in the omnipotence of God and the divinity of Jesus Christ. I promised the "Old Master" that if He would help me re-establish my fortune I would make better use of it. He has done so, and it is now up to me to carry out my part of the bargain.

[illegible]

[illegible]

[illegible]

[illegible]

XII

The Story of my Bankruptcy

I published The *Story of My Bankruptcy* at the time and mailed copies to my creditors. I here reproduce it, for it states conditions better than I can now state them:

JANUARY 20th, 1923.—The story of my bankruptcy is the story of multiplied thousands throughout the length and breadth of the land. It is the logical aftermath of the inflation of the dollar and the deflation of prices and wages brought upon the world by the international bankers operating through the banking systems of the United States and England.

The present record of bankruptcies has no parallel in the history of our civilization. There have been many instances of the manipulation of currency and credit and of the contraction of both, but history records no precedent for such vast destruction of values, such merciless exploitation of the wealth producers, such gigantic vandalism. Men and nations have been bankrupted from identically the same cause.

It is estimated by competent authorities that 60 per cent of those engaged in the cattle industry are hopelessly insolvent. As I am unfortunately a farmer and cattleman, and typical of those classes representing 40 per cent of our population—I trust that I may be pardoned a personal statement. I realize that such a statement is rather unusual and may be in bad taste. Usually the bankrupt, conscious

of his own failure in life and the pity of his friends and the joy of the envious, silently and in shame and humiliation passes from the stage of human activity.

I had only recently sold my ranch in Oklahoma and my stock in the Fort Worth Gas Company when our country entered the war. I was then practically out of debt and my net worth exceeded one million dollars. I had been a comfortably wealthy man and a busy one for more than twenty years, and had been reasonably successful in many lines of endeavor. Having accumulated more than I needed I was then arranging my affairs to retire from active business.

We were then told by responsible government officials that it was our duty to produce and conserve food, and that "food would win the war." President Wilson proposed to organize an "army of the commissary" for the production of food, which, however, was not done. I was then engaged in the production of some of the things classed by the War Industries Board as essentials, viz., foodstuffs and iron. I was too old to enter the army. I could only help by expanding my operations, which necessarily involved an expansion of my liabilities. I did so, in part at least, from a patriotic sense of duty. Bankruptcy is my reward.

My principal losses have been on my Mississippi ranch. It will be remembered that we had a severe drouth in Texas in 1917, and that the United States Department of Agriculture then urged the cattlemen to save the breeding herds of the country by shipping them to the southeastern states. I shipped 4,500 head of high bred cows to Mississippi that cost delivered around $100 per head. I lost about 3,000 from death and theft, and the remainder are now worth less than $20 per head.

This shrinkage of value is the natural, inevitable, and intended result of the deflation of credits and of values ordered by the Federal Advisory Council and Federal Reserve Board at the quarterly meeting of the Advisory Council in Washington on May 18th, 1920. It is not my losses, as severe as they have been, that have brought me to bankruptcy; but it is the fact that I can not obtain the necessary credit to hold my property until there is a normal demand and price for it.

It is supposed that the War Finance Corporation has offered great relief to the cattlemen in accordance with the plain intent of Congress, but this is not true. The War Finance Corporation together with its various subsidiaries, has been organized and operated by bankers exactly as they operate their banks. It makes no loans that a bank would not make if able to do so. Every loan that it has made would be in demand by the various banks of the district if they were able to function normally. It operates only because under the drastic deflation program of the Federal Reserve Board and Wall Street the bankers are unable or afraid to lend money.

Its funds are not available to my kind because I need time to work out my problems and can not make a liquid loan or a satisfactory financial statement. It would probably lend $15 per head on my cattle that formerly carried $50, for $15 is 75 per cent of the present market value of $20 per head. All of their loans are made on the basis of the present market value of cattle, and only to men who could under normal conditions borrow the money from their local banks. As it has been operated, it has been a relief measure for the banks rather than the cattlemen.*

---

*The Jew Eugene Meyer was at the head of it.

My creditors will confirm my statement that I have sought in vain to secure their support and co-operation in order to avoid bankruptcy. I believe that a new day is dawning for the American producer and business man, but I can not await its coming. It is impossible for me to hold on that long.

Some of my creditors have been unreasonable and some of them shortsighted. May be the plans I have proposed to them have been unworkable, but some plan ought to have been devised by somebody to save the waste, destruction and humiliation of bankruptcy. A man who desires to pay and who has the means to do so, ought to be given the opportunity. I have been forced against my will to avail myself of the provisions of the bankrupt law.

Although I may be discharged from my debts, I hope that I may yet be able to pay them. Money has never meant anything to me except as a means to an end. I desire money only because it enables me to do things and to pay debts. I do not care for it for its own sake, to splurge with, or for the destruction of my children.

I wish to assure my friends that I am not broken in spirit. My health is perfect, and there is no bitterness in my heart. I have the consciousness of having "done my derndest." I have the consciousness also of having sought to serve my country. I may compare myself to the soldier who loses a leg in battle; he misses the leg, his friends pity him, but he has the pride of having lost it in the service of his country.

I trust that it may be my privilege to contribute something to the destruction of a financial system that makes princes and potentates of the nabobs of Wall Street, and peons and paupers of the producers of the country;

and that builds palaces that out-rival the magnificence of the Temple of Solomon, for its hoarded and useless gold.

In their mad efforts to restore the gold standard and to reduce prices and wages, the international bankers have made it impossible for the nations of the earth to pay their debts, and have brought them again face to face with war. They have bankrupted the farmer and pauperized the laborer, and caused much suffering, unrest and crime. They can bring about war and radicalism, and even revolution, but they can not permanently restore the pre-war value of the dollar, for men and nations can not pay their debts in gold or on the basis of the gold standard.

The world's strife and unrest has been brought about by the deflation program of the international bankers of New York and London, the Federal Reserve Board, and Bank of England. Fundamentally, gold is at the bottom of the world's troubles. The causes are not economic, as we have been often told, but purely financial.

Perhaps the estimates of the experts were right when they fixed the amount of the German reparations (following the first world war); but since that date the international bankers have doubled the value of money, which has more than doubled the amount of reparations and more than doubled the debts of men and nations, and bankrupted both men and nations.

We must restore prices and wages and thereby enable men and nations to pay their debts in money having the same value as when these debts were contracted. We must wrest our National Government from the group of selfish financiers who have been the real rulers of the land through both Republican and Democratic Administrations for so long a period of time that "the memory of man runneth not to the contrary." We must make them

and their financial systems our servants instead of our masters. We must make our country safe for an honest man to do business in. We must, above all things, preserve *Constitutional Government.* These great ends can only be accomplished by the labor and sacrifice of many men and women. I aspire to be one of them.

* * *

This statement was made in 1923 when I was fifty-seven years of age. Now, in 1953, I am eighty-seven. There has been a radical change in my financial condition, but none in my position toward the Federal Reserve System and inflation and deflation. I am not now a debtor. It is now to my apparent advantage to have dear money, but it is not in fact. For it is not to the advantage of any man to prosper at the expense of others.

XIII

John H. Kirby

WHEN I WAS adjudged a bankrupt I had three very valuable properties, viz., Geo. W. Armstrong & Co., Inc., my Mississippi plantations, and 1,000 acres of land adjoining the City of Fort Worth on the south (where the U. S. Army Quartermaster Depot is now located). I sought to get my creditors to buy this property when sold by my trustee in bankruptcy. While all of them were friendly, they refused. Mr. Kirby volunteered to do so, and bought it. He also bought most of my other properties.

John H. Kirby was the best man I have ever known. There was no reason why he should help me, except his innate goodness. I had never done anything for him. Those that I had helped, and there were several, forgot me in my distress. Mr. Kirby later told me that such had been his own experience, and that I was the only exception. I take great pride in recording that fact.

Mr. Kirby was forced into bankruptcy by the deflation of 1930, which was brought about by the Federal Reserve management. I had not yet fully restored my fortune but was in a fair way to do so, so I went to see him and asked for the privilege of helping him.

He told me that he would like to save his Peach Tree Village farm home of 6,000 acres; that it was the place of his birth and where his father and mother died and were buried. I bought it for $31,000 and gave it to him, and afterwards paid his income tax on the transaction

XIII

John H. Kirby

WHEN I WAS [illegible] I had [illegible] W. [illegible] Co. [illegible] and 1,000 acres of land [illegible] the City of [illegible] when the [illegible] I [illegible] this property [illegible] Mr. Kirby [illegible]

John H. Kirby was the best man I have ever known. There was no reason why he should help me, except his [illegible] I had never done anything for him. [illegible] Mr. Kirby [illegible] I [illegible]

Mr. Kirby had been [illegible] by the [illegible] of 1930 [illegible] I had not [illegible] him and asked for the privilege of helping him.

He told me that he would like to [illegible] it was the [illegible] of his [illegible] and [illegible] it [illegible] amounting to about $5,000. He gave me a "barbecue" celebrating the event which was attended by several hundred of his friends. Mr. Kirby called on a number of them to speak—the outstanding speech being made by my old friend, J. B. Cranfill of Dallas. When I saw the place I did not wonder at Mr. Kirby's loving it. Apart from the attractive plantation house and the fertile creek valley land, there is the little brick Church he built, with the scene of the baptism of his father (late in life) shown in a mural painting covering the entire wall back of the pulpit.

Mr. Kirby was a man of great courage and vision. He acquired a vast body of East Texas pine land on which the timber was estimated at 900,000,000 feet; he organized the Kirby Lumber Company, the Houston Oil Company and Kirby Petroleum Company, and built a railroad from Beaumont to Kirbyville which is now owned by the Santa Fe Railway Company. He was the most generous man I have ever known. His greatest delight was in helping others. He was a handsome, imposing man, with a magnetic personality. To his friends he was affectionately known as "Governor." He "had what it takes," both personally and intellectually.

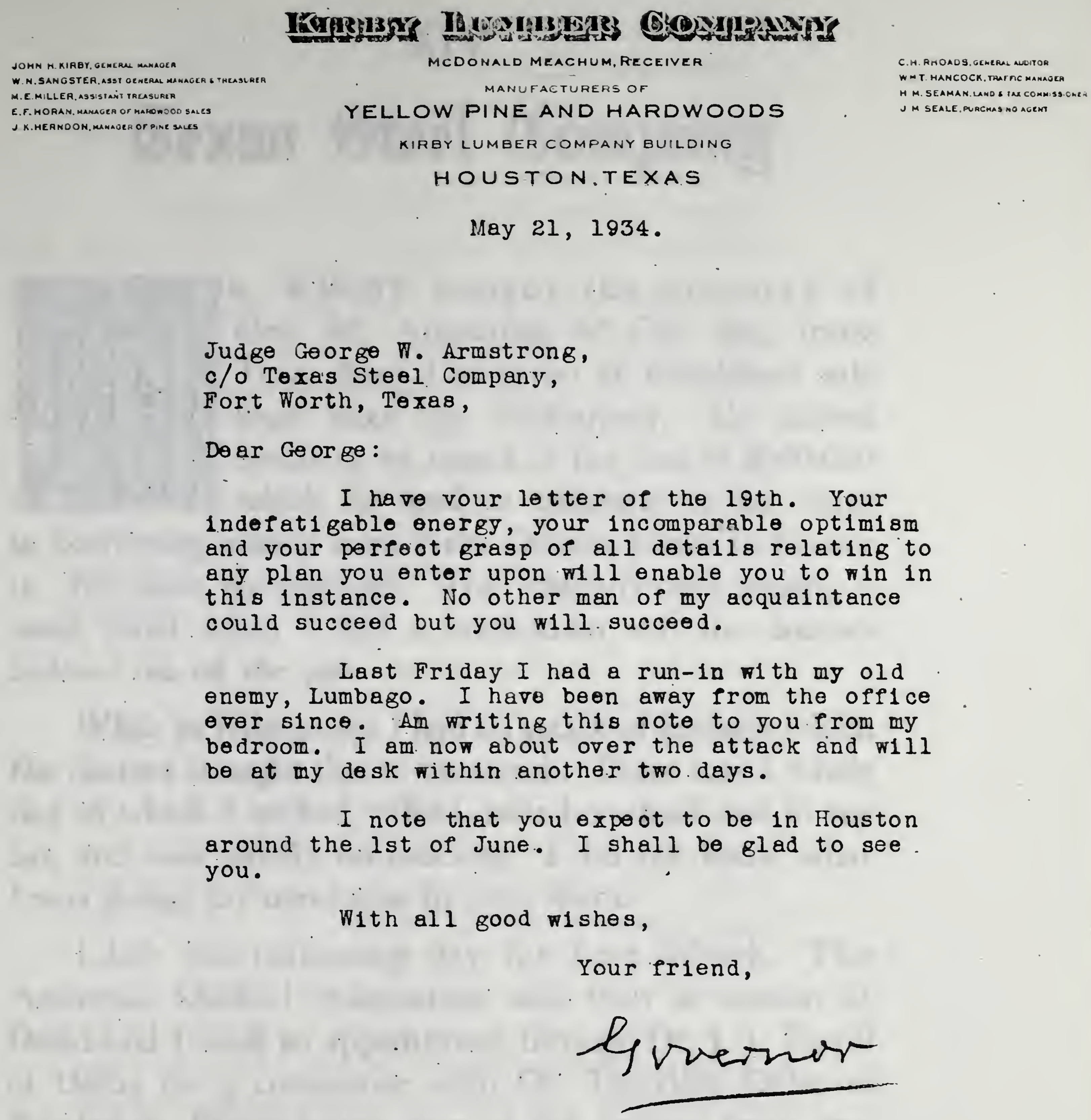
When I published the second volume of my book, *Truth*, I dedicated it to him in these words:

I dedicate this volume to my friend

JOHN H. KIRBY

in grateful rememberance of his steadfast and unselfish friendship in my hour of greatest need, and in recognition of his goodness of heart, his nobility of character, and of his worthy achievements. His life long friend, Judge S. B. Cooper, truly said of him, "He has been eyes to the blind, feet to the lame, and father to the poor." He has been all of this, and more, to me.

Jno. H. Kirby



KIRBY LUMBER COMPANY

JOHN H. KIRBY, GENERAL MANAGER
W. N. SANGSTER, ASST GENERAL MANAGER & TREASURER
M. E. MILLER, ASSISTANT TREASURER
E. F. HORAN, MANAGER OF HARDWOOD SALES
J. K. HERNDON, MANAGER OF PINE SALES

McDONALD MEACHUM, RECEIVER

MANUFACTURERS OF
YELLOW PINE AND HARDWOODS
KIRBY LUMBER COMPANY BUILDING
HOUSTON, TEXAS

C. H. RHOADS, GENERAL AUDITOR
WM T. HANCOCK, TRAFFIC MANAGER
H. M. SEAMAN, LAND & TAX COMMISSIONER
J. M. SEALE, PURCHASING AGENT

May 21, 1934.

Judge George W. Armstrong,
c/o Texas Steel Company,
Fort Worth, Texas,

Dear George:

I have your letter of the 19th. Your indefatigable energy, your incomparable optimism and your perfect grasp of all details relating to any plan you enter upon will enable you to win in this instance. No other man of my acquaintance could succeed but you will succeed.

Last Friday I had a run-in with my old enemy, Lumbago. I have been away from the office ever since. Am writing this note to you from my bedroom. I am now about over the attack and will be at my desk within another two days.

I note that you expect to be in Houston around the 1st of June. I shall be glad to see you.

With all good wishes,

Your friend,

Governor

XIV

Texas Steel Company

MR. KIRBY bought the property of Geo. W. Armstrong & Co., Inc., (now Texas Steel Company) at foreclosure sale soon after my bankruptcy. He caused bonds to be issued in the sum of $300,000 which he used as collateral to his notes in borrowing money from New Orleans banks to finance it. He made me manager. The company was making a small profit when I had a breakdown and the doctors ordered me off the job.

While in Mississippi I had an attack of amnesia which the doctors thought due to overwork. There was a whole day in which I walked, talked, rode horseback and in the car, and was wholly unconscious. I did not know what I was doing; my mind was an utter blank.

I left the following day for Fort Worth. The American Medical Association was then in session at Dallas and I made an appointment through Dr. J. J. Terrill of Dallas for a conference with Dr. Theodore Diller of Pittsburgh, Pennsylvania, one of the leading brain specialists of the country, who was attending the convention. These gentlemen made a thorough examination, and after doing so advised me there was nothing wrong except brain fag, due to too much use of my old thinker, with too little rest.

I here quote a letter Dr. Diller wrote to Dr. Terrill following this conference, copy of which Dr. Terrill sent me:

Pittsburgh, Pa.
April 27th, 1926

My dear Dr. Terrill:

Fulfilling my promise, I am writing you regarding Geo. W. Armstrong whom I examined with you in your office Thursday last, April 22nd. I have just finished dictating notes to my secretary which has refreshed my memory regarding the interesting story the Judge related to us. I feel convinced that we are right in regarding his case as functional in character and as an expression of brain tire or fag. I consider that all evidence taken in connection with the absence of evidence pointing to organic disease indicates the soundness of this conclusion.

There are a good many things you and I can not do, and one is changing a temperament or makeup. Dealing with Judge Armstrong we have a definite personality or temperament to deal with. He is a forceful, masterful, domineering man with many admirable qualities but originally more or less seclusive and self-centered and lacking in the joy of life. He has grown overly serious and overly sensitive and has withdrawn himself more and more from contact with men and women in all ways except business ways. So to use a common expression, which is really quite descriptive, he has gotten into a rut. He has worn certain paths, mental and intellectual, in his mental processes, and these he has not rested by breaks of recreation which all men need.

Old Ptah Hotep, who lived in Thebes about 2,000 years before Abraham, wrote to his son:

The archer hitteth the target, partly
by pulling, partly by letting go;
The boatman reacheth the landing, partly
by pulling, partly by letting go.

Now you and I well know this thing is just as true today as it was when Ptah Hotep wrote it. The Judge is trying to hit the target altogether by pulling and never "letting go." He would account his shooting and some of his business trips as "letting go," but they can hardly be accounted so.

It is a pity that the Judge is so immersed in business deals that he can not pull up altogether at the present time and give himself a complete rest by a long ocean voyage with a good companion. So I believe we did the best possible thing under the circumstances by falling in with the suggestion of your colleague advising him to go to the Springs for a couple of months and there keep himself occupied with baths, walks, society of agreeable people, games, etc. But it must be regarded as only a small preliminary vacation and the Judge must shape his plans so he can take a long vacation.

On the physical side, of course the Judge will need good hours of sleep, sufficient food, regulation of bowels. But all those functions are performed adequately, and so he needs no medication along this line. I think it would be to his great advantage to keep in touch with you so you may guide him for a considerable time.

You will please present my compliments to the Judge and let him know that I have written you. Indeed, you are at liberty to show him this letter if you care to do so.

Very truly yours,

Theodore Diller

On the advice of Dr. Diller I dropped everything and went to Mississippi for a rest.

The Texas Steel Company management which Mr. Kirby selected to succeed me was incompetent, with the result that the company lost about $100,000 during my absence, and he decided to close it down and junk the plant, which I learned by chance. Realizing that this meant the destruction of the property and its being sold out at a nominal value, I sought the privilege of again operating it, which Mr. Kirby granted on condition that I would not call on him for help. On my recovery I took charge of it.

The plant was in very bad physical condition and losing heavily. I was without money or bank credit. Such credit as I obtained was by discounting my invoices at the rate of about 18 per cent. I borrowed some money from my dear sister Mittie, my son Allen and others, but there was not enough of it to go very far. I have paid all of these obligations with interest.

The bonds of the company, amounting to $300,000, were held by New Orleans banks, the interest on them was long past due and the banks were threatening foreclosure. I approached them for an extension and obtained a conditional one. During our negotiations, "Lem" Dinkins, president of the Interstate Bank & Trust Co., continued to threaten foreclosure until I got fed up with it. Finally I said, "Your threats don't scare me, I've heard it thunder before;" and he thereafter talked a different language.

This was the most difficult period of my life. Everything again went wrong. The big motor that drove the Mill burned out. I bought a second-hand one in Pittsburgh and the train was wrecked twice *en route*, the motor had to be returned to the factory for repairs and

its delivery delayed about sixty days, during which time the Mill was shut down and our customers cancelled their orders.

I discovered that our competitors, Laclede Steel Company of St. Louis, and Sheffield Steel Corporation of Kansas City, were violating the Clayton Act by selling steel in my trade territory at less than they were selling it elsewhere, and less than the cost of production, for the obvious purpose of eliminating my company as a competitor. I sought relief from the Federal Trade Commission, and failing, I sued them for damages under the Clayton Act. The case was compromised upon their agreement to discontinue price cutting, and on the payment of $40,000 as damages.

This $40,000 was the basis of my financial recovery. I used a part of it to effect a settlement of past due city taxes, and the balance in buying the stock and bonds of the Texas Steel Company at a heavy discount and on easy terms. I then called a meeting of the labor leaders and told them the situation, and that I needed their help to re-establish the company, and asked for a 33⅓ per cent reduction in wages for ninety days, promising to restore them in that period. They granted my request and I restored the wages as promised.

On the occasion of my seventy-sixth birthday the employees of the Texas Steel Company and Texasteel Manufacturing Company presented me with a fine watch as a mass tribute of affection, which is remarkable in this day of class conflict. In expressing my appreciation I stated to them that it was due to the co-operation and loyalty of the employees of the Texas Steel Company that these plants are now in existence, and recalled the incident of their consent to a cut in wages and of my restoring them as promised.

[illegible]

I remember that [illegible] Steel Company [illegible] Corporation [illegible] the Clayton Act. The case was compromised [illegible] on the payment of $40,000 as damage.

The [illegible] Trust Steel Company [illegible]

On the [illegible] the Trust Steel Company [illegible] Manufacturing Company [illegible] the Trust Steel Company [illegible]

I was proud of this watch and wore it constantly. One day while riding horseback along the banks of the Homochitto River I suddenly missed my watch. I got off my horse and searched the path carefully. I then returned home, called several trusted employees to go with me, and together we made a further search, covering the entire route I had taken, but to no avail. The watch was never found, to my very great regret.

I was named chairman of a committee to represent the manufacturers of structural steel, reinforcing bars, etc., before Congress, in an effort to secure an increase in the tariff, and presented our case to the Senate Finance Committee and the House Ways and Means Committee both in person and by printed brief.

The Texas Steel Company was at a very great disadvantage in meeting competition because of the transit advantage allowed its competitors who could ship steel bars to their branches or dealers at a low freight rate to meet water competition, and then forward the product to other points in Texas at a flat two cent rate.

I applied to the Texas Railroad Commission to cancel this privilege, and lost; and then appealed from the adverse decision to the District Court and won. The railroads appealed to the Appellate Court and I won again; and they appealed to the Supreme Court of Texas and they won. And so it went, to the Supreme Court of the United States. The fact that the Supreme Court did not take jurisdiction of the case does not render this decision the law of the land because that court only takes jurisdiction of cases of general public concern.

I represented the Texas Steel Company in all of this litigation and also in the suit against Laclede Steel Company, et al., because I was financially unable to employ lawyers. I had not tried a law suit for more than thirty

years prior thereto, but I knew the law and the facts, and was self-confident. Perhaps my necessity helped, for, like the darky's jack-rabbit that whipped the bulldog, I was "obleeged to win."

The restoration of the Texas Steel Company enabled me to pay the notes given for its stock and bonds. It also enabled me to establish the Geo. W. & Mary C. Armstrong Trust, hereinafter related.

This business can be developed and made as big as the vision and courage of its founder and managers. I have always had the ambition to lay the foundation of a big industrial enterprise for my sons to develop, and for that reason largely I have not wanted to sell the Mill or any part of it. I am proud of the fact that it is strictly a family institution—no outsider having a dollar's interest in it, either of stock or bonds. I also take pride in the fact that it may afford an opportunity not only to my children but to their children, and to some of my nephews.

XV

Politics AND *Pro Bono Publico*

MY FIRST experience in politics occurred early in 1890. After moving to Fort Worth I lived a block from a little grocery store operated by a Mr. Pope, where I got my groceries. I went down late one afternoon and found a number of people there discussing the subject of whether they wanted to go into the city or not. I do not remember how I got into the discussion, but when some one asked what I thought about it I said I had no interest in the subject at all; that I had no children and had no property in Fort Worth; but that I thought it would be the best for the man with children and without property, to go in, in order to get the advantages of the schools.

City Alderman

These were laboring people and that thought struck them as being the right thing. They voted to go into the city, and thus the seventh ward was formed. After we went into the city they decided to ask me to run for alderman, which I did, and was elected, and made chairman of the Health Board. The city then had only seven wards with two aldermen from each ward who were paid $4 for attending the weekly meetings, provided they attended, and they were usually there. As I recall, I served two terms of two years each.

ok

XV

[illegible]

AND

[illegible]

[illegible]

[illegible]

[illegible]

I was elected County Judge of Tarrant County in November 1894, in my twenty-eighth year, and was on the bench for four years. While making the race for County Judge I kept a small note book in which I made memos of my campaign speeches. Among them I find the following:

> I discovered America in Texas, and have been reared within its bounds. My first breath was of its pure air. I have worked its soil and have run cattle over its broad prairies. I have imbibed its free, independent, democratic spirit, and been educated in its schools. . .
>
> The word *democracy* means to tear every unnecessary restriction away from you. To give you an equal show with the balance of the world to be happy, comfortable and useful. If you fail, it is your fault or your misfortune. The *populistic* idea of the Government's legislating you happy or wealthy is simply absurd. I wish it were possible for the Government to legislate away laziness and profligacy, to make all men honest and good and intelligent: then would I be a populist. . .
>
> The Democratic party believes in the majesty and dignity of man, and that he is capable of controlling his own affairs; that instead of creating new experiments and making new laws, we ought to repeal some. It is the meddling on the part of the Government with private affairs that has put us in our present condition.

Another of my speeches in the race for County Judge, as recorded in the same little memorandum book, was as follows:

> Some of my opponents claim to be running for this office from a patriotic desire to beat Johnson. That is not my position. I do not want to

> beat him. I want only to get a few the most votes. Beating him is an incidental matter. It's the office I'm after.
>
> If I know any people, any customs or any laws, it is the people, laws and customs of Texas. I began the practice of law in an adjoining county on a borrowed capital of $50.
>
> Now, if you elect me to this office, I assure you I will make one of the best Judges you have ever had. If you find fault with my administration, if you will talk with me about it I will appreciate it.
>
> If nothing unforeseen happens; if the young men will rally around one whose lack of years is his only disqualification; if the old will remember how hard it was to work their way up in life without capital; if the poor will aid a fellow and a friend; if the learned and the wise, the rich and the poor, will investigate my professional standing and compare it with my opponent's; if there is anything in continued, persistent, concentrated and undismayed hustling—your humble servant will, after November 2nd, wear the judicial ermine.

PRESIDENT—ASSOCIATED INDUSTRIES OF TEXAS

In July 1918 I attended a convention of the manufacturers of Texas at which provision was made for an Industrial Development Committee to see to the proper development of Texas at the close of the war. The following is from the press report concerning the proceedings of this convention:

> The manufacturers of Texas who constitute the membership of the Associated Industries of Texas, though not unmindful of the post-war commercial struggle for supremacy, were thoughtful first of winning the war. The convention had

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

> for its paramount theme the organization of Texas industries to aid in the "win the war" program of the manufacturers of the United States.
>
> The sessions of yesterday's convention saw the passing of the Buy-It-Made-In-Texas Association—losing its identity in the Associated Industries of Texas. Judge Geo. W. Armstrong was elected president of the Buy-It-Made-In-Texas a few months ago and has the distinction of being the last president of the organization under the name by which it was first known. He now becomes the first president of the Associated Industries of Texas. Judge Armstrong is the head of the Geo. W. Armstrong & Co., of Fort Worth, which operates an iron and steel plant.

Following the conclusion of the first world war, many problems confronted the business men of Texas, and a meeting was called for January 10th, 1919, to consider them. The New York *Evening Post* published the following statement on the subject:

> BUSINESS MEN OF TEXAS WILL CONFER
>
> COMMERCIAL PROBLEMS OF PEACE TO BE CONSIDERED
>
> For the purpose of considering various problems with which the business interests of this State and section will now have to deal, a readjustment conference is being called by the Associated Industries of Texas, joined by other organizations whose names are attached to the call. Judge Geo. W. Armstrong, of Fort Worth, president of the Associated Industries of Texas, authorizes the following statement, says a dispatch to The *Houston Post:*
>
> > The Associated Industries of Texas, joined by the Council of Defense and other organizations, hereby calls a conference of delegates of all State commercial, industrial

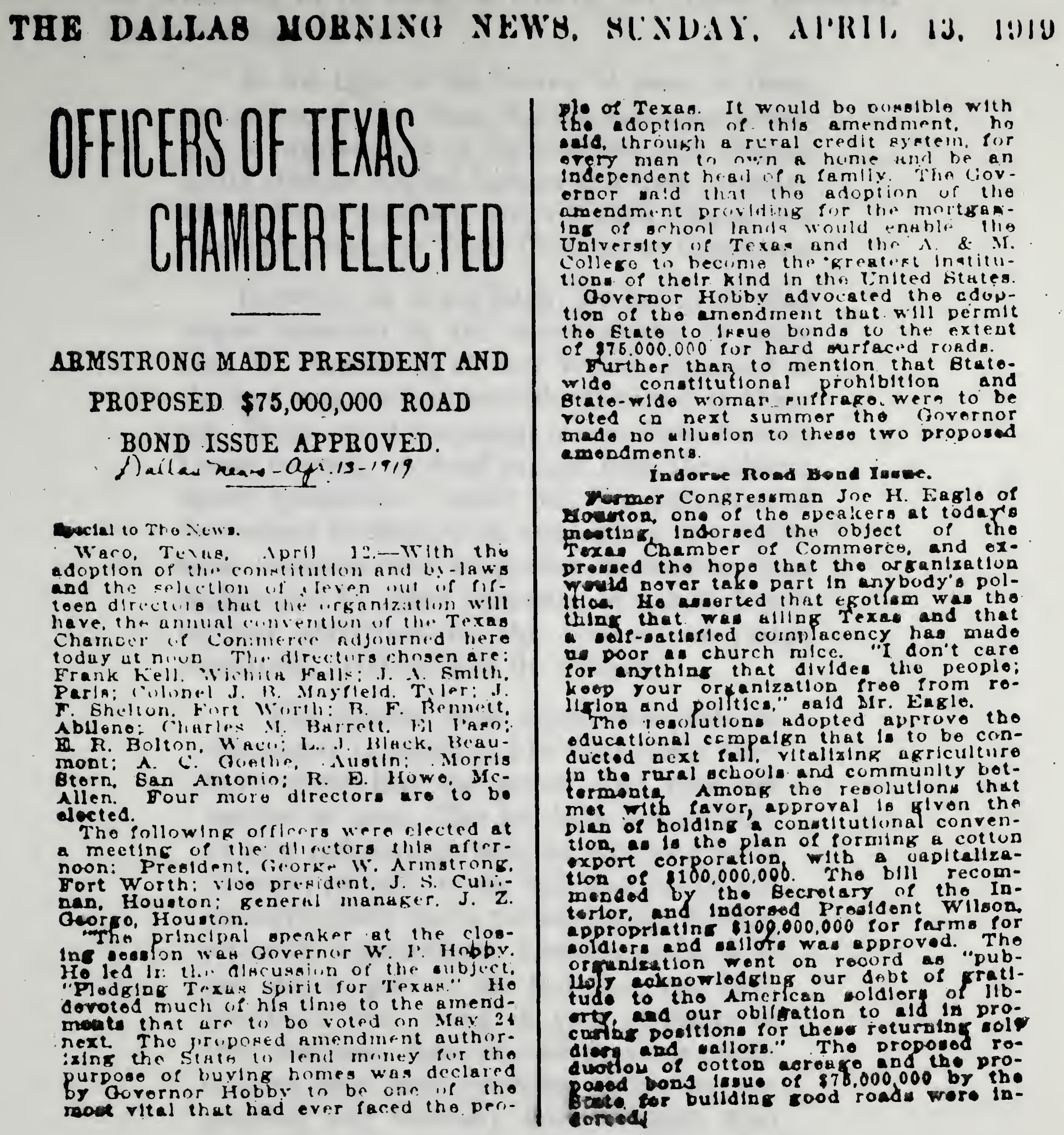
and civic organizations to be held in the city of Houston, January 10th, and to continue for two days.

The purpose of this meeting is to consider our peace problems and to make known to Congress and the Legislature, both of which will soon convene, our views and wishes regarding them. We are entering a period of reconstruction which requires the best thought and effort of us all. Many issues, important to ourselves and to our country, depend on a wise settlement of them. It is imperative that the business man now take more interest in public affairs than he has been accustomed to do. This is not intended in any sense as a political or social gathering, but a meeting for business purposes in a spirit of patriotic service to our country. There will be discussions of the taxes, transportation, labor, and other important questions, the full program of which will be announced later.

Associated Industries of Texas
Cattle Raisers Association of Texas
Interstate Inland Waterway League
Lumbermans Association of Texas
North Texas Wholesale Grocers Association
South Texas Wholesale Grocers Association
Southern Rice Growers Association
Texas Bankers Association
Texas Commercial Executives Association
Texas Cotton Manufacturers Association
Texas Cottonseed Crushers Association
Texas Industrial Congress
Texas Industrial Traffic League
Texas State Farmers Union
Texas State Council of Defense

PRESIDENT—TEXAS CHAMBER OF COMMERCE

When the Texas Chamber of Commerce was organized I was named its first president, and the Associated



THE DALLAS MORNING NEWS, SUNDAY, APRIL 13, 1919

OFFICERS OF TEXAS CHAMBER ELECTED

ARMSTRONG MADE PRESIDENT AND PROPOSED $75,000,000 ROAD BOND ISSUE APPROVED.

Dallas News - Apr. 13-1919

Special to The News.

Waco, Texas, April 12.—With the adoption of the constitution and by-laws and the selection of eleven out of fifteen directors that the organization will have, the annual convention of the Texas Chamber of Commerce adjourned here today at noon. The directors chosen are: Frank Kell, Wichita Falls; J. A. Smith, Paris; Colonel J. R. Mayfield, Tyler; J. F. Shelton, Fort Worth; B. F. Bennett, Abilene; Charles M. Barrett, El Paso; E. R. Bolton, Waco; L. J. Black, Beaumont; A. C. Goethe, Austin; Morris Stern, San Antonio; R. E. Howe, McAllen. Four more directors are to be elected.

The following officers were elected at a meeting of the directors this afternoon: President, George W. Armstrong, Fort Worth; vice president, J. S. Cullinan, Houston; general manager, J. Z. George, Houston.

"The principal speaker at the closing session was Governor W. P. Hobby. He led in the discussion of the subject, "Pledging Texas Spirit for Texas." He devoted much of his time to the amendments that are to be voted on May 24 next. The proposed amendment authorizing the State to lend money for the purpose of buying homes was declared by Governor Hobby to be one of the most vital that had ever faced the people of Texas. It would be possible with the adoption of this amendment, he said, through a rural credit system, for every man to own a home and be an independent head of a family. The Governor said that the adoption of the amendment providing for the mortgaging of school lands would enable the University of Texas and the A. & M. College to become the greatest institutions of their kind in the United States.

Governor Hobby advocated the adoption of the amendment that will permit the State to issue bonds to the extent of $75.000.000 for hard surfaced roads.

Further than to mention that State-wide constitutional prohibition and State-wide woman suffrage were to be voted on next summer the Governor made no allusion to these two proposed amendments.

Indorse Road Bond Issue.

Former Congressman Joe H. Eagle of Houston, one of the speakers at today's meeting, indorsed the object of the Texas Chamber of Commerce, and expressed the hope that the organization would never take part in anybody's politics. He asserted that egotism was the thing that was ailing Texas and that a self-satisfied complacency has made us poor as church mice. "I don't care for anything that divides the people; keep your organization free from religion and politics," said Mr. Eagle.

The resolutions adopted approve the educational campaign that is to be conducted next fall, vitalizing agriculture in the rural schools and community betterments. Among the resolutions that met with favor, approval is given the plan of holding a constitutional convention, as is the plan of forming a cotton export corporation, with a capitalization of $100,000,000. The bill recommended by the Secretary of the Interior, and indorsed President Wilson, appropriating $100,000,000 for farms for soldiers and sailors was approved. The organization went on record as "publicly acknowledging our debt of gratitude to the American soldiers of liberty, and our obligation to aid in procuring positions for these returning soldiers and sailors." The proposed reduction of cotton acreage and the proposed bond issue of $75,000,000 by the State for building good roads were indorsed.

Industries of Texas was merged with it. The *News Bulletin* (Austin), in its issue of March 1st, 1919, published the following editorial:

> In the light of the history of many of them, the editor of The *News Bulletin* has come to feel shy of organizations of big business with relation to its attitude toward farmers and their interests. Hence, he is watching with no small interest and solicitude, the new Texas Chamber of Commerce.
>
> However, as to the latter, we feel in no small degree reassured by the recent address of Judge Geo. W. Armstrong of Fort Worth, president of the new organization, recently delivered at Houston, Texas, on the occasion of the State Farmers Union meeting. A brief extract from the address shows sympathetic insight into the difficulties of the farmers in effecting an organization to promote their interests, and to protect themselves from exploitation by other interests. We shall devote further attention to the address of Judge Armstrong. Following is the extract:
>
>> The farmers have never been able to thoroughly organize, and for that reason they have never had the power that they are entitled to have. This has been due partially to your isolation; partially to your long hours of work; partially to the fact that you do not yourselves fully realize the advantages to yourselves of organization. Unfortunately, it is due also in part to the fact that you have sometimes been stung in your attempts in that direction. Some of your previous organizations have been promoted either by impractical and visionary men, or men who wanted to use you or your organization for selfish ends. It is essential to the success of your organization and mine, that its officers and managers have no other end or purpose than to make it useful to its members, which

> means that they must not profit by it either financially or politically.

CONTEMPLATED RACE FOR UNITED STATES SENATE

In 1928 I gave some thought to entering the race for the United States Senate, but my lawsuits and plant operation kept me entirely too busy to devote much time to politics. I found time to write a few newspaper articles and to participate in the organization of the Hoover Democrats, being chairman of the Organization Committee of the convention called before our State Democratic Convention, and also of the one afterward.

The following year I acquired control of The *Southern Advance*, the organ for the Hoovercrats, converting it into The *Independent Democrat*. While it was quite a burden for me to carry during the depression, I continued its publication for the reason that I expected to take an active interest in politics for the next two or three years.

CAMPAIGN FOR GOVERNOR OF TEXAS

When I was sixty-six years of age I entered the race for the office of Governor of Texas on the Democratic ticket, having been a Democrat all of my life. For reasons of sentiment I opened my campaign in Jasper County, my birth-place. I here quote in part my opening speech, made May 18th, 1932:

> LADIES AND GENTLEMEN:
>
> Candor compels me to say that I have come here to open my campaign for the office of Governor of Texas because I want to be known as a Jasper County boy, and because I want you to support me as such. The families of both my mother and father were pioneer families of this

[illegible] than that they shall be given by [illegible]
financially or politically

[illegible]

In 1926 I spent some time [illegible] the United States Senate, [illegible] politics [illegible] and to participate in the management of the [illegible] being Chairman of the [illegible] Committee of the [illegible] and also of the [illegible]

The following [illegible]

[illegible]

When I [illegible]

[illegible]

[illegible]

county. My mother was born more than ninety years ago in a large old hand hewn log house on Walnut Run near Beech Grove, and I was born in the same old log house. There is nothing now to mark the spot except the family cemetery and a few crepe myrtles struggling for existence amidst the surrounding forest. My kin folks here will tell you that I come of good family, and I am sure you will agree with me that I come from a good country.

I have been an active business man, engaged in several lines of business, for more than thirty years. I returned to this section of Texas in 1902 and established banks in the oil fields at Sour Lake, Saratoga and Batson, which I later sold to Governor R. S. Sterling and which no doubt had something to do with the foundation of his fortune. Our country entered the war in 1917. The slogan was that it took "food to win the war." I was too old to enter the army; I therefore undertook the production of food.

Having sold my ranch in Oklahoma I bought a number of plantations in Mississippi, shipped 4,500 head of cattle and 700 horses and mules to them, and involved myself in debt. The management of the Federal Reserve System deflated me in 1920, and I was compelled to go into bankruptcy in 1923.

I then began an intense research and study of our banking and currency system. I found to my amazement that the Congress had *delegated the power to issue money* and to *control its value* and the value of everything else, to a cabal of bankers who manipulated it in their own interest.

I wrote The *Crime of '20*, that first revealed to the American people the secret meeting of the Federal Reserve Board and Advisory Council when the decision was made to contract currency and credit and to deflate prices and wages. I have

since written several other books on this subject, the last and best of them being, *A State Currency System*—To Hell With Wall Street.

This is in brief my history.

There was born a few years before me at Peach Tree Village farm in the adjacent county of Tyler, the biggest and best man I have ever known—my loyal friend, John Henry Kirby, of Houston. He is sometimes wrong politically, or at least I think so, but he is never wrong otherwise; and his heart is good and true. His whole life has been devoted to the service of others less fortunate. He cares nothing for wealth except as a means of service and achievement. I received the following wire from him a few days ago, which I appreciate very much:

> You know how I feel touching the wisdom of your course, but since your hat is in the ring I am for you and wish I had a hundred thousand votes to give you.

I should add that he is right politically this time.

The same system that destroyed me has now paralyzed his industries. His lumber mills are idle, his labor unemployed, and his stock of finished product deteriorating: all because of a financial system that was designed to free us but which has been perverted and is now employed to enslave us. I make this race for Governor in the hope that I may restore the state currency system advocated by Jefferson and Jackson, and that it may free us from the rule of the Federal Reserve Board and New York Federal Reserve Bank.

Congress has closed up the eleven Sub-Treasuries and has transferred to the Federal Reserve System the exclusive power to *issue money* and to regulate its value, *in violation of our National Constitution*. This power is exercised through what is called the Open Market Committee com-

[illegible]

> [illegible]

[illegible]

> [illegible]

[illegible]

[illegible]

[illegible]

posed of five Governors of Federal Reserve Banks, of which Committee the Governor of the New York Federal Reserve Bank is chairman and the active head. It is through him that the system operates. The method of expanding the currency is by purchasing United States bonds, Treasury notes, acceptances and other paper eligible for discount, on the market in New York, and paying for these securities with Federal Reserve notes.

The *contraction* of currency and credit is effected by reversing this process, viz., by selling securities on the market and receiving in payment therefor money, and depositing the money n the vaults of the Federal Reserve Banks and hoarding it—accompanied by an advance in the discount rate. These operations are largely local to New York and other centers, for the money that is put in circulation or withdrawn from circulation is confined largely to these centers.

At this time it is the pretended policy of the Federal Reserve Board to expand the volume of money in circulation, and they are buying a hundred million dollars of securities for that purpose weekly; but as fast as these securities are bought the money paid out for them is used to pay off the indebtedness of the New York banks to the Federal Reserve Banks and it is immediately cancelled, with the result that since this policy was inaugurated several weeks ago for the purpose of defeating the Patman bill, there has been a new decrease in the volume of money in circulation.

The Federal Reserve System is now a price and wage regulating bureau. It absolutely controls the volume of money and credit, and their value, and through such control it controls the price and wage level and the general welfare of all the people of these United States. The deflation of 1920 was brought about by the management of this System for the *avowed purpose* of deflating prices and

wages. They said in their official minutes that the people were too extravagant, that they were not working and producing as they should, that the world needed more goods, and that the only way to bring about an increase of production was to check the "vicious circle of increasing prices and wages" and to thereby force the people to work and save.

It is a far cry from the conditions then (1920) to the conditions now (1932), when they say there is over-production. The deflation of 1930 was brought about to further reduce prices and wages, but the pretended justification for this deflation was to check speculation on the New York stock exchange, the American gambling hell.

I can see but little hope to overthrow this System except by organizing a competitive one and thereby destroying its monopoly of money and credit, and breaking the strangle-hold it has upon the American people. It is within our power to establish our own state currency and credit system that will furnish all the currency and credit we need and will enable us to regulate our own prices and wages and prosperity. I concede that the system is imperfect and that it would be better for the Congress to exercise its constitutional duty to coin money and regulate its value; but it is infinitely better than the existing system.

There were four State Banks of Issue at the time the National Constitution was written, and this system continued for nearly one hundred years—until 1866 when the 10 per cent tax was imposed which put it out of business; at that time there were about 1500 banks of issue in the United States. I do not think that the 10 per cent tax is applicable to a state agency such as I propose to create, but whether it is or not we can well afford to pay the tax in order to restore prosperity to this stricken land.

I have challenged Governor Sterling or his authorized representative, and Governor Ferguson, to a joint debate of this state banking system. In my letter to Governor Sterling I proposed that he delegate a representative, in order to include ex-Governor Moody and because Governor Sterling does not know what it is all about. I have had no reply from Governor Sterling, but I have the following reply from foxy Jim Ferguson:

> I am in receipt of your favor of the 5th. I note that you will become a candidate for Governor. I call your attention to the fact, which you perhaps overlooked, that I am not a candidate for Governor.

This letter furnishes a strong argument against the election of his wife as Governor, for it shows that there is no real responsibility upon the part of the man who will really be Governor, in the event of his wife's election. When it comes to a question that is of vital public interest, I must "see Ma." But when it comes to practicing law before the Boards and Commissions presumably appointed by his wife, he claims the right to charge and collect fees because he is not the Governor.

The campaign slogan of the Governors Ferguson is, "agin high taxes and interest." But neither of them said anything "agin" either high interest or taxes during the years 1924 and 1925 when "Ma" was Governor. We had precisely the same interest rate then that we now have, and strange to say the tax rate was higher then than now. Of course "Ma" is for economy in government. Everybody always stands for economy at office-seeking time. Economy is now the general watch word. There is no doubt waste and extravagance in some of the departments of government, and room for economy; but according

to Governor Sterling's Economy Commission the economics will not materially reduce the amount of taxes to be paid. . . Governor Sterling has repeatedly boasted that he has made no mistakes during his administration, and stated that if he had it all to do over again he would make no changes in his record. Such perfection is beyond the hope of redemption.

We must have revenue to run the government and this revenue must be derived from the *ad valorem* tax upon real estate which is now unproductive, or from other sources. I favor relieving real estate entirely from the *state ad valorem* tax, for real estate will have enough burden to bear in supporting the cities and counties.

I am opposed to the liberal use of the pardoning power. The pardon board should be abolished. When a criminal has been convicted by the unanimous verdict of the jury and the conviction has been approved by the courts, he should serve the sentence and not be turned loose upon society to repeat the crime. Jury trials are more likely to attain the ends of justice than the *ex parte* hearings of friends before a pardon board. The accused should be required to testify, or his refusal taken as an evidence of guilt. The only way to require respect for the law is to enforce it and to *let it stay enforced.*

I wish to mention one other issue involved in this campaign, to-wit: a new State Constitution. We have amended our Constitution (up to the last one) on an average of every twenty-five years, to meet changed conditions. Greater changes have occurred since our last Constitution was written fifty-six years ago than during any prior period in our history.

The reformation of our judicial system and the Railroad Commission and other badly needed

reforms can only be accomplished through a new Constitution or amendment of our Constitution. We have too many courts and too much delay, too much technicality and too much expense, in the administration of justice.

The Railroad Commission has recently been described by one of its members as being "without head, body or tail," and that its administration is grossly extravagant. The worst of it is that it is without power or jurisdiction so far as railroad rates are concerned; it is but the "tail" of the Interstate Commerce Commission and regulates rates in accordance with the direction of the I.C.C.

The jurisdiction of the Texas Railroad Commission should continue as an oil and gas conservation board, but the expenses of it and its administration should be borne by the oil and gas industry. I wrote the original Carlock bill that provided for oil and gas conservation, and that conferred jurisdiction upon the Railroad Commission; and this bill provided that the oil and gas industry should pay the expense of its administration. The bill was adopted by the legislature without change. I submit that this unofficial service to the State upon my part has been of more advantage to Texas than all of the platforms and blatant promises and official acts of the two Fergusons during their combined terms in the Governor's office. To this may be added for good measure the do-nothing administration of Governor Sterling.

The important issues to be determined by you and the American people are whether we shall have cheap money or dear money, inflated prices and wages or inflated dollars. The Patman bill now pending in Congress will be an issue in the national campaign, and one that can not be side-tracked. It is the only measure yet proposed that will be of any material advantage to the

farmer, the laborer, the merchant, and the small banker. It will put in circulation in Texas about 98 million dollars of new money which is approximately three times the amount we now have in circulation. It should have your support and the support of your Congressman.

The two national parties are now controlled by Wall street. It is through that control that the coalition of Democratic and Republican leaders was effected. There is now pending in the Congress a bill proposed by Senator Glass—an alleged Democrat—that apparently has the support of this coalition, to tax out of existence the 13,000 state banks of the country and to compel them to nationalize and join the Federal Reserve System. If this is democracy, if democracy means the control of prices and wages by the New York Federal Reserve Bank, if it means deflated values—then I am not a Democrat.

I should admit, before they tell it on me in the campaign, that I voted the republican ticket four years ago; otherwise I have always been regular. I deeply regret this vote, not because I have changed my views about Al Smith and the 18th Amendment, but because I find that Hoover and the Republican party do not represent them. I believed then and believe now that the 18th Amendment is the greatest constructive legislation of the last half century, and I believe in its enforcement and am opposed to its repeal.

I believed then and believe now that the hope of this nation lies in a coalition of the Western Progressive Republican and the Southern Democrat. If I am elected Governor I pledge you that I will, in season and out of season, do everything in my power to divorce the democracy of Texas from Tammany Hall, and to align it with the Progressive Republicans of the West.

I made an active, earnest campaign, but fate decreed that I should not be Governor of Texas.

* * *

CONSTITUTIONAL GOVERNMENT IN PERIL

I sought to bring about the impeachment of Franklin D. Roosevelt, but failed in my effort. I wrote my life long friend, Hon. Hatton W. Sumners, January 31st, 1943, as follows:

> You are one of the few southern Congressmen who understand the sinister forces that are now in control of the Democratic party and who have the courage to stand for *Constitutional Government*. There must be a rejuvenation of the Democratic party that stands four-square for Constitutional Government and against bureaucratic government, and this movement should begin in Congress. You are the ideal man to lead it, not only because of your sound judgment and poise and courage, but also because of your standing with your colleagues.
>
> The logical development is for the South to divorce itself from the eastern wing of the party dominated by aliens and negroes and political bosses with their corruption, and to form a new party with the people of the western and middle states. I realize the difficulty of such an undertaking. If this is impractical then you should organize a southern bloc that will co-operate with any party or person that stands for the ancient fundamental principles of our party. Think it over.

To which Mr. Sumners replied February 5th, 1943, as follows:

> In looking over a file of old speeches I find that eighteen years ago I made a speech in the House entitled 'Our Choice:—Decentralization of

> Governmental Responsibility, or Government by a Centralized Bureaucracy.' There was not enough interest then to attract adverse criticism even. Of course, the President has been the Government for a long time and still has tremendous power. Aside from the strength of the people, he has far greater power with reference to legislation than is appreciated. For instance, when he interposes what is known as the veto, he changes the number of Senators required to enact a bill, assuming the entire membership is present, from 49 to 64. If the veto is over-ridden in the Senate, he moves over to the House where the same percentage prevails. In addition to that, it is understood that from the time a Member of Congress arrives in Washington, his chances of an appointment to an attractive office, should he be defeated for re-election or for any reason wish not to return to Congress, are greatly influenced by the regularity with which he has voted as the President wants him to vote.
>
> As before stated, there are many things which you and I could discuss with pleasure and profit to both, if we just had the opportunity. I would like immensely to have the benefit of your considered thinking.

I answered Mr. Sumners, February 11th, 1943, as follows:

> This encourages me to write you regarding the important subject discussed in your letter. I thoroughly agree with your view. The President has too much power under the Constitution, to say nothing of what Congress has granted him, and what he has *usurped* in violation of the Constitution. He is practically the Government when he should be only one-third of it.
>
> It will of course require a constitutional amendment to limit the President's constitutional

powers. I think that the people are now prepared to support such an amendment. Please permit me to suggest that the effete electoral college should be abolished and the President elected by a majority vote of the two houses of Congress in joint session, which I believe was the French custom. His term of office should be two years instead of four, thereby making him responsive to the will of the people, which is the philosophy of the British system. The effect would be to make him the servant of Congress and the people instead of their master, as he now is; and it would tend to minimize the power of money in the elections.

Unfortunately, such a change would not abolish government by political parties, but it would make the parties local instead of national in character. We must now forget our present political affiliations and get together to *preserve our constitutional form of government.* The tariff and all other political issues are of minor importance by comparison.

The Willkie Republicans and the New Deal Democrats and the communists belong on one side, and you and Mr. Clare Hoffman and the other anti-New Dealers, whether Democrat or Republican, on the other. The press reports that the C.I.O., the A.F. of L., railway labor organizations, and the Farmers Union, claiming to represent 13,000,000 votes, are organizing a political party "to support the President and to oppose the anti-poll tax Democrats and reactionary Republicans." This is logical and clarifying.

There are troublous times confronting this Congress that may call for bold and courageous decisions and action on your part as Chairman of the House Judiciary Committee. It is a great responsibility, and likewise the opportunity for great public service. The Congress still retains its *supreme power of impeachment.* It is better to primary. I think that the people are [illegible] such a proceeding. I have ventured to suggest that the Electoral College should be abolished and the President elected by a majority vote of the two houses of Congress in joint session, which I believe was the French custom; the term of office should be two years instead of four, thereby making him responsive to the will of the people, equal to the philosophy of the British system. The effect would be to make him the servant of Congress and the people instead of their master, and it would tend to minimize the power of [illegible] in the [illegible].

Unfortunately, such a change [illegible] would [illegible] the [illegible]. We must [illegible] political [illegible] and get together [illegible] of government. The [illegible] of [illegible] by [illegible].

The Wilson Administration [illegible] Democrats and [illegible] on one side and [illegible] Mr. [illegible] and the [illegible] on the other. The [illegible] that the [illegible] and the League of Nations [illegible] the [illegible] Democrats and [illegible] Republicans [illegible].

There are [illegible] Congress [illegible] the House Judiciary Committee. It is a great [illegible]. The Congress [illegible] power of [illegible].

> leave the "four freedoms" of the world as they are, than to lose our own freedoms.
>
> President Franklin Roosevelt and his co-workers and advisers have established his power step by step over a long period of time. He and his wife and his law-making bureaucrats value it too highly to surrender it easily. I do not dare discuss this subject frankly, for the New Dealers regard all critics as fifth columnists and as such they are the victims of persecution and prosecution in Washington.
>
> I read your speeches in the Congressional Record when they are reported, and I have re-read them since you sent them to me. I want to congratulate you particularly on your great speech of December 2nd. It is the clearest and the most sensible exposition of the farmers' problems and difficulties and of the evils of bureaucracy, that I have read. More power to you!

I am taking the liberty of publishing this correspondence without Mr. Sumners' permission, assuming he would grant it, because it clearly reveals the evils of our political system and suggests the remedy; and also because it confirms my statement that my books and my activities in recent years have been for the preservation of Constitutional Government. I realize that I suggested a radical program that Mr. Sumners could probably not accomplish and was therefore unwilling to undertake. No one can estimate the human suffering that would have been saved if Congress had then had the courage to impeach Franklin D. Roosevelt.

It is my purpose to aid in organizing the State of Texas against communism and against a communistic candidate for the presidency.

While I have not been active in politics for some years I have continued to write articles for publication in the press, giving expression to my views on topics of

> [illegible]
>
> [illegible]
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> [illegible]

[illegible]

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current interest and importance. The following may be of interest:

THE "TEXAS REGULARS"

October 30th, 1944

Our forefathers, at the risk of their freedom and lives, had the courage to denounce the government of King George III, and to proclaim in their *Declaration of Independence*, that

> *When a long train of abuses and usurpations, pursuing invariably the same Object, evinces a design to reduce them (the people) under absolute Despotism, it is their right;—it is their duty, to throw off such Government, and to provide new Guards for their future security. Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world:*
>
> *He has refused his Assent to Laws, the most wholesome and necessary for the public good. . . He has erected a multitude of New Offices, and sent hither swarms of Officers to harass our People, and eat out their substance. . . He has affected to render the Military independent of and superior to the Civil Power. He has combined with others to subject us to a jurisdiction foreign to our Constitution, and unacknowledged by our laws.*

How true of Mr. Roosevelt and the New Deal.

We of the "Texas Regulars" proclaim that he has flaunted and violated our National Constitution by establishing by executive order bureaus

with power to issue regulations and directives with the force and effect of laws, and that he has himself issued such directives. He has degraded the judiciary and brought it into disrepute by appointing politicians to the appellate courts who uphold his illegal acts. He has degraded the Democratic party by an alliance with the communistic Political Action Committee and the political machines of Hillman, Hague, and others. He has sought to violate the National Constitution by the repeal of the segregation and poll tax laws of the States. He has sought to degrade the white people of America through the establishment by executive order of the FEPC bureau.

We charge that he first sought to elect himself President for a fourth term through federal bureaucratic control of the soldiers' ballots. He now seeks to do so through a corruption fund levied upon labor by the labor racketeers, through the negro vote, and the corrupt political machines of the cities. His obsession, his ultimate aim, is to create a world empire with himself as ruler.

We therefore declare that "we are and of Right ought to be Free and Independent" citizens; that "we are Absolved from all Allegiance" to the corrupt Roosevelt-Hillman political machine; and that "all political connection" between us and his machine "is and ought to be totally dissolved." We stand uncompromisingly for Constitutional Government, for white supremacy, the repeal of the 14th and 15th Amendments, and for the restoration of the two-thirds convention rule.

OUR TIDELANDS

April 10th, 1951

It is within the power of Speaker Sam Rayburn and Senator Tom Connally to restore our tide-

lands to our school children, but they are both too busy trying to euchre us into war. They are the chief legislative props of President Truman's "fair deal" administration, and his legislative advisers.

Sam Rayburn sits on the lid and will not allows the tidelands bill to be considered. He sought to enact the universal military training bill which it is estimated would cost four to six *billion* dollars annually, but was defeated. Senator Connally is working over-time to give the President full power to send troops to Europe at his discretion, and must be given credit for a partial victory. Congress has consented to six divisions comprising 120,000 men. It is estimated that the cost of maintaining an army in Europe is $10,000 per man per year. Both of these measures were designed to create a military dictatorship and would have done so. They would have been a long step in the direction of bankruptcy.

The value of our tideland's minerals has been estimated at $900,000,000. This can not be accurately known and may be exaggerated. It is, however, only a fraction of the value of the minerals of the Dead Sea which were given to the Zionists by the British during their occupation of Palestine under a mandate from the Allies. This value is estimated in the 1948 edition of the Encyclopedia Americana at 1200 *billion* dollars, which is more than the total wealth of all of the people of the United States and Canada.

This fabulous wealth was acquired by capture from the Arabs by the Turks, and from the Turks by the Allies in the Second World War, and rightfully belongs to us and our Allies. Soviet Russia aspires to acquire this wealth. The Communists need oil, and Palestine and the surrounding countries have more than half the oil in the world. It is valued at five billion dollars, in addi-

tion to the 1200 billion estimated value of the oil and other minerals of the Dead Sea.

I take off my hat to ex-Senator O'Daniel who advocates a limit of two terms for our congressional representatives. That was sound democratic doctrine in the good old "horse and buggy days." Two terms is long enough for our representatives to breathe the polluted Washington air.

TURN THE RASCALS OUT

March 25th, 1952

The issue in the presidential campaign is our Constitutional system of government, or socialism. Prior the the election of Franklin D. Roosevelt the principal issue between the Democratic and Republican parties was the interpretation of the Constitution—the Democrats advocating a strict construction and the Republicans a liberal one under the "general welfare" clause.

Roosevelt changed it for political purposes. He sought to abolish the Constitution and to create a socialistic State in order to obtain the labor and negro vote. That was his purpose in stacking the courts with socialists; in promoting the second world war and the treaties resulting therefrom, including the United Nations; in appointing George C. Marshall as our emissary to China; and in selecting Harry S. Truman as Vice President and his probable successor.

The issue that will be determined in the present election is whether or not we will abandon our Constitution and become a socialistic State. Candidates Truman, Kefauver and Kerr (Democrats) and Eisenhower (Republican) are for the socialistic State; Taft (Republican) and Russell (Democrat) are for our Constitutional system of government.

I prefer Taft to Russell because I believe he will be more aggressive in "turning the rascals out," and that he will appoint General Douglas MacArthur as our Defense Minister. I believe that both Taft and Russell are better qualified than any of the socialistic candidates, and that General MacArthur will speedily win the war with Russia. He is, in fact, the logical man for President and Commander-in-Chief, and should be drafted.

I DON'T LIKE IKE

April 8th, 1952

I don't like Ike for the following reasons:

1. I believe that he is a socialist. He would not have his present job unless the socialist Truman thought so, nor would the socialist Roosevelt have promoted him as our European Commander over other capable men entitled to the job under Army regulations, unless he thought so. Ike is now being boosted for the presidency by the socialist press writers and all the pro-Zionist kept press.

2. I do not believe that he is competent to be President. He has been a conspicuous failure in other important jobs. He restrained General Patton from entering Berlin in order to permit the Russians to take it, which cost us the expensive air-lift in order to feed the Berlin people, and a great deal more.

3. Eisenhower has no political principles, or if he has he is afraid to express them. Congress sought to get some expression from him, and a report. He was suspicious and sent his deputy who made the report for him. An inquisitive reporter sought to learn his Church affiliation. All of the information he obtained was a statement that he is a "Protestant."

What a contrast with the honest, plain spoken Taft. While I do not agree with all of Senator Taft's platform I know where he stands. He is for *Constitutional Government*, the Taft-Hartley Act, and for economy in government; and against socialism.

What a contrast between MacArthur's administration in Japan and Eisenhower's administration in Germany. The one was Christian and constructive, and the Japanese revere him; the other was pro-Zionist and destructive. Eisenhower initiated the Morgenthau program of destroying the German race and Germany's factories. Atrocities committed (see Congressional Record, July 17th, 1945, page 7595) were merely denied and went unpunished. He is now begging the Germans to furnish men and munitions for his (N.A.T.O.) Army, which they hesitate to do.

What a contrast between MacArthur and Eisenhower otherwise: MacArthur is a courageous statesman who is indifferent to the presidency and who dares to express his views; Eisenhower is a pussyfooting politician who seeks to be President without the voters knowing his views. General MacArthur, in his Jackson Day speech, denounced the extravagance and corruption of the Truman Administration and the steal of our tidelands. He is a great statesman as well as a great soldier. He is outspoken for Constitutional Government and for winning the war with the communists. He would have done so long ago except for the interference of Truman and Acheson. He wisely said: "There is no substitute for victory."

Where does General Eisenhower stand on these important issues? Echo answers, "Where, O where?"

* * *

I am still ambitious to be of service to my country.

XVI

Writer

And ye shall know the truth,
and the truth shall make you free.
—St. John 8:32

BEGINNING The *Crime of '20*, my first book, with the purpose of writing a pamphlet of fifty pages or less upon the character and operation of the Federal Reserve System, I have written several volumes. I have sought to discuss in candor and without fear or favor, and with much thoughtfulness, the pressing political problems that are vital to our peace and welfare and happiness.

I begun my investigation believing in a tariff for revenue only, in the Federal Reserve System as a great banking measure, and in the gold standard as sound money. I conclude it with the conviction that the doctrine of cheap prices is a false one; that the Federal Reserve Banking System (very appropriately called the Federal Reserve "bunking" system) is a bankers' trust which was designed to rule and does rule the country; and that the gold standard is the most infamous device ever created for controlling prices and wages and to despoil the producer of a just reward for his toil and the wealth he creates.

The gold standard is indeed the great curse of the age. There can be no industrial freedom and no enduring prosperity so long as it obtains. It is through it that the international banker controls the prosperity and destiny of men and nations. It is the responsible cause for the

present disparity in the exchange values of the moneys of the nations of the earth, the inability of the peoples of some countries to sell their products and of others to buy them, the poverty and suffering of men, women and children throughout the world, and threatened wars and anarchy.

All the political economists agree that all wealth is created by labor. It is obvious that the laborer and the farmer do not possess their share of the wealth that they create. It is obvious that there is something in the mechanism of our commerce that takes this wealth from the creator and gives it to others. It is obvious also that this condition is world wide and that it has obtained more than a century.

The struggle of the farmer and laborer for higher prices and wages and for the betterment of their condition is age-old and world-wide. It has often taken the form of strikes and revolutions and of violence and bloodshed. They have often fought blindly for justice without clearly perceiving the cause of their distress, or the remedy. They are doing so now.

The fight will continue so long as the injustice continues. Violence will be employed and the innocent will suffer so long as the cause and the remedy are not understood. The injustice can and will be corrected in an orderly and legal manner whenever there is a common understanding of the cause and the remedy.

There should be no conflict between the laborer and his employer. There should be none between the laborer and the farmer, for their interests are identical. There should, in fact, be none between the producers and consumers, for the producers depend on the consumers for their markets, and the consumers on the producers for their supplies.

The real contest is between the value of money and the value of service; between those who thrive in prosperous times and those who thrive and fatten upon the adversity of others. It is between money, which represents service long since rendered, and the present living service of men. It is between an ample volume of money issued and regulated by the Government, or a restricted volume issued and regulated by bankers.

We are oppressed by political parties, laws and institutions of our own creation. It is within our power to change or destroy them in the manner provided by our Constitution, without strikes and without violence and without bloodshed. They can and must be settled by the ballot. I have earnestly sought to show the cause of our suffering and to point out the constitutional remedies that lay in our own hands.

ROTHSCHILD MONEY TRUST

In my study of the banking and currency system I discovered that the Jewish international banking firm of N. M. Rothschild & Sons of London, was the dominating financial power of the world, and had been such for more than a hundred years; that this firm was a perpetual family partnership of enormous wealth that never made public statements or reports; that the other principal private international banks stemmed from it as either branches or agents; that it controlled the Bank of England; and that through its representative, Paul Warburg, wrote our Federal Reserve Act.

I learned also that this Jewish international banking firm was responsible for the establishment and maintenance of the gold standard, and through it controlled the economy of the peoples of the world; that it had brought about most of our panics and depressions and wars during

The real contest is between the value of money and the value of service, between those who create or guarantee values and those who [illegible] upon the [illegible] of values. It is between money, which represents service long since rendered, and the currency being [illegible] of men. It is between an ample volume of money issued and regulated by the Government, or a restricted volume issued and regulated by [illegible].

We are oppressed by [illegible] laws and institutions of our own creation. It is within our power to change or destroy them in the manner provided by our Constitution, without violence and [illegible]. Then [illegible] I have [illegible] in our own name.

[illegible]

In my study of the banking and currency system I discovered that the [illegible]

I learned also that [illegible]

the past one hundred years, and had profited by all of them; and that it was financing the Zionist enterprise to establish a World Empire.

I published The *Rothschild Money Trust* in September 1940, under the *nom de plume* "Andrew Fabius," in the vain hope that it might have some influence in the approaching presidential election. I employed an agent in a distant city to distribute the book. Believing that Mr. Roosevelt would euchre us into war, and believing also that the Jews would be in charge of it, I stopped the distribution of the book in March 1941, nine months prior to Pearl Harbor. The book was wholly historical and based largely on Jewish history.

The postal authorities intercepted the mail of my book distributor who was then called upon by the Federal Bureau of Investigation to reveal the identity of the author. This information was not disclosed; however, after weeks of pressure and coercion the F.B.I. was referred to my attorney. In his view the situation warranted my entering the picture, and I was so advised by long distance telephone.

An appointment was then made for the F.B.I. representative to meet me at the office of my lawyer. I was present, with a court reporter, at the agreed hour. But the F.B.I. representative refused to interview me in the presence of my attorney and to have the interview taken down by a stenographer.

Later another F.B.I. representative sought the name of the author through questioning relatives of my book distributor, and failing in this tried coercion with threats of the loss of their jobs. Still later, another F.B.I. representative obtained an interview with me by appointment. I declined to admit or deny anything, upon the ground that if I had committed a crime I was not required to the past two hundred years, and had pretended to all the [illegible] that it was financing the Zionist conspiracy to establish a World Empire.

I published The Rothschild Money Trust in September 1940, [illegible] in the [illegible] that it [illegible] of the [illegible] of [illegible]. I [illegible] as [illegible] to [illegible] the [illegible], believing that [illegible] and believing also that the [illegible] I [illegible] the [illegible] of the [illegible] which [illegible] "[illegible]." [illegible] and [illegible] largely on Jewish history.

The [illegible] that [illegible] by the Federal Bureau of Investigation [illegible] of the [illegible] of [illegible] and [illegible] attorney. [illegible] and I [illegible]

An appointment was then made for the F.B.I. [illegible] of my [illegible]. I [illegible] of the [illegible] the F.B.I. representative [illegible] by the [illegible] of the [illegible] them by a [illegible]

Other members of the F.B.I. representative [illegible] of the [illegible] of the [illegible] of the [illegible] that [illegible] as I [illegible] that F.B.I. had committed a crime I had not assigned it confess; and that if I had committed no crime, it was none of his business whether or not I was the author.

Several months later I was again called upon by still another F.B.I. representative. In the meantime my mail bore evidence of having been intercepted. This agent claimed that the F.B.I. had discovered where the book had been printed and that I was the author of it. I asked him the purpose of his visit if he had all this information. He said they wanted to clear up the case and wanted my statement, to which I replied that I had none to make; that I knew about the Washington anti-Semitic alleged sedition case and that I did not wish to be prosecuted, or to be persecuted by the B'nai B'rith.

I have since written The *March of Bolshevism*, *World Empire*, The *Marshall Plan Exposed*, etc. The power that supports the communistic movement threatens our constitutional form of government; it controls the press, the radio, the cinema, and through them controls public sentiment and the Government. This power must be subjugated. The freedom loving American people will never tamely submit to the rule of the commissar and the dictator.

The only way to bring about a peaceful settlement of the problem is by education. The lying propaganda of the radio and the press must be overcome. The people must know the truth and they will do the rest. I wish to devote my fortune and the remaining years of my life to this end.

* * *

Since writing the above, God has restored my fortune and I have made a will bequeathing the greater part of it to my Foundation for charitable and educational purposes,

[illegible]

[illegible]

[illegible]

[illegible]

* * *

[illegible]

and specified that a part of it be used for the repeal of the 14th and 15th Amendments. Our national elections are controlled largely by the corrupt political organizations of the cities.

The following is a partial list of the books and pamphlets I have written:

THE CRIME OF '20
An Official Story of Frenzied Finance

TRUTH, *Volume I*
The Story of the Dynasty of the
Money Trust in America

TRUTH, *Volume II*
The Federal Reserve "Bunking" System
in Action

THE INIQUITOUS DAWES SCHEME
World Rule by the International Banker

THE CALAMITY OF '30
Its Cause and the Remedy

A STATE CURRENCY SYSTEM
To Hell with Wall Street

REIGN OF THE ELDERS, *Volume I*
Gold—Gold—Gold

REIGN OF THE ELDERS, *Volume II*
The Reds in the Saddle

THE ROTHSCHILD MONEY TRUST
The Mighty Rothschild Power and
the Subjugation of America

and [illegible] that is [illegible] of [illegible] the [illegible] the 17th and 18th Amendments. The [illegible] [illegible] by the corrupt [illegible] [illegible] of the [illegible].

The following is a partial list of the books and pamphlets I have written:

THE [illegible] OR [illegible]
[illegible]

[illegible]
The [illegible] of the [illegible]
[illegible]

[illegible]
The [illegible]
[illegible]

THE [illegible]
[illegible] the [illegible]

THE [illegible]
The [illegible]

A [illegible]
To Hell and [illegible]

[illegible]
[illegible]

[illegible] ON THE [illegible]
The [illegible]

THE [illegible]
The Mighty [illegible] and
the [illegible] of [illegible]

The Corruption of America
Congress and the People Deceived
and Doublecrossed

High Treason
The Betrayal of the People

The March of Bolshevism

World Empire

The Marshall Plan Exposed

Supplement to World Empire

Traitors
"There is No Offense so Heinous as Treason"

Zionist Wall Street

Money and the Tariff

The Truth about
My Alleged $50,000,000 Donation

The Zionists

Our Constitution
The Sheet Anchor of Our Liberties

Third Zionist War
Our Defeat in Korea Was Planned
by Traitors

The Collection of [illegible]
[illegible]
[illegible]

[illegible]
The [illegible] of the [illegible]

The [illegible] of [illegible]

[illegible]

The [illegible]

[illegible]

[illegible]
[illegible]

[illegible]

[illegible]

The [illegible]
The [illegible] $1,000,000 [illegible]

The [illegible]

[illegible]
The [illegible]

Three [illegible] War
[illegible]
[illegible]

XVII

Texasteel Manufacturing Company

THE TEXAS STEEL Company manufactured numerous items of oil well supplies as by-products. The business expanded until it required a separate organization. We organized the Texasteel Manufacturing Company January 1st, 1938, with a paid up capital of $300,000. My son A. J. Armstrong resigned his position as Secretary of the Association of Producers of Petroleum in Mexico, and took the presidency of this new company. It was his desire to manufacture such supplies as our Government needed in the war, and I "backed him up."

Upon the outbreak of the second world war President Roosevelt announced through the press that we needed ten million tons of additional steel capacity. He requested the steel companies to provide it, proposed to finance the additional capacity at Government expense, and designated the Reconstruction Finance Corporation (RFC) for that purpose.

At the request of the Army Ordnance Department the Texasteel Manufacturing Company entered into contracts to make 60 and 81 millimeter shells, which contracts were filled satisfactorily and profitably by the Fort Worth plant.

The Navy Ordnance Bureau solicited the Texasteel Manufacturing Company to manufacture five and six inch Navy shells, and proposed to build and equip a plant for that purpose. The Bureau controlled an incomplete steel

mill and shell plant at Charleston, West Virginia, which it sold to the company at a nominal price, with the agreement that the plant would be moved and installed at Port Arthur, Texas.

Texasteel Manufacturing Company entered into contract with the Navy Bureau to supply shells to be manufactured at the Port Arthur shell plant, giving the bond of Seaboard Surety Company as security for the performance of the contract. It was proceeding with the erection of the steel mill and the shell-making plant when we discovered, and reported to Navy Ordnance, that the shell plant would be inadequate. The Bureau made an investigation which confirmed this report.

The Navy engineers recommended that an additional investment of about one million dollars would be required to convert the incomplete plant into a modern shell making plant.

I was summoned by the Navy Bureau to Washington to determine whether the contract would be cancelled or the plant built. I agreed that in the event of cancellation we would reimburse the Bureau for any sums due it; or in the event the Navy Bureau built a modern plant that the company would, subject to certain conditions, reimburse it to the extent of $400,000. The Bureau accepted our offer and nothing remained to be done after this conference except to write the contract.

About three months thereafter the Navy Ordnance Bureau wrote the Seaboard Surety Company that my son A. J. Armstrong, president of Texasteel Manufacturing Company, Mr. Foster, the manager, and I as Chairman of the Board, were not acceptable officers of the company and that it would not build the plant unless we resigned. We refused to resign and proposed to cancel the contract, but the Surety Company insisted that we perform it.

[illegible] Charleston, West Virginia, [illegible]

Tennessee [illegible]

[illegible]

[illegible]

[illegible]

[illegible] Tennessee [illegible]

Upon its insistance we consented that the Surety Company might do so in the name of Texasteel Manufacturing Company, and a Management Committee for the Port Arthur plant was named for that purpose. This Committee was under the control of the Surety Company. It completed the erection of the shell plant and operated it for about eighteen months, and lost approximately $1,000,000.

When the funds were exhausted the Surety Company requested us to consent to the bankruptcy of the Texasteel Manfacturing Company and the appointment of its (Seaboard's) agent as trustee so that it might continue to finance the operation through trustee's certificates. Believing at the time that the Seaboard, as well as ourselves, was a victim of bureaucracy, and desiring to protect it, we consented.

Shortly after our entry into the second world war President Roosevelt established the Office of Production and Materials (OPM), later changed to War Production Board (WPB), with authority to control production and the allotment of materials therefor. This board was composed principally of officers of the major steel companies known as "dollar a year" men. We applied to this board for authority to build the Port Arthur steel mill, and to the Reconstruction Finance Corporation for funds for such purpose. After much "stalling" and "buck passing" our application was refused by both agencies and we abandoned the enterprise after spending about $500,000 on it.

At that time Jesse Jones was head of the Reconstruction Finance Corporation. I knew Jesse very well and I expected a square deal from him although I was not a New Dealer. He shifted us to John Snyder, later Secretary of the Treasury under Truman.

It was a member of the W.P.B.—an officer of the Bethlehem Steel Company—who raised the question of our

Upon [illegible] we [illegible] that the [illegible] Company might be [illegible] to the [illegible] Company, and [illegible] Company [illegible]. [illegible] plant was [illegible]. This [illegible] was [illegible] the [illegible] of the [illegible]. [illegible] the [illegible] of the [illegible] plant [illegible] of the [illegible] [illegible] approximately [illegible].

When the [illegible] the [illegible] Company [illegible] of the [illegible] Manufacturing Company [illegible]. [illegible] the [illegible] of the [illegible] the [illegible] as well as [illegible].

[illegible] President Roosevelt [illegible] the [illegible] and [illegible]. [illegible] with [illegible] to [illegible] production and the allocation of [illegible]. The board was composed [illegible] of the [illegible]. [illegible] the [illegible] to the [illegible] and [illegible].

[illegible] of the [illegible]. [illegible] and I [illegible] although I [illegible]. The [illegible] of the [illegible] Company [illegible].

[illegible] of the [illegible] the [illegible].

fitness and capacity to operate the Port Arthur shell plant. The objection was primarily to me because I had built up a successful steel plant at Fort Worth and threatened to establish another at Port Arthur that would mean more competition for the steel companies. In the course of establishing my two companies at Fort Worth I was compelled to file two suits, one against Laclede Steel Company, et al., and the other against Bethlehem, et al., for penalties under the Clayton Anti-Trust Act for attempting to destroy my companies through unlawful price cutting. The first suit was settled for $40,000; and the second for $85,000, one-half of which was paid by Bethlehem. It was the policy of the R.F.C. to foster trusts, which is entirely consistent with the Soviet and Roosevelt programs.

We made a substantial profit on Army shell contracts at the Fort Worth plant of Texasteel Manufacturing Company. The Seaboard Surety Company lost more than a million dollars on the Navy shell contracts at *Port Arthur*, which loss it imposed on us. A great deal of this loss, if not all of it, is justly due by the Government and claim has been filed for it. If all of this loss is finally saddled on us, we will lose a very substantial sum of money.

PAID IN FULL

All of the outside creditors of the Texasteel Manufacturing Company were paid in full in 1951. This was accomplished by the Texas Steel Company purchasing its Fort Worth assets and my buying the Port Arthur assets. We organized the Liberty Manufacturing Company with a capital of $260,000, which acquired the Fort Worth plant and is operating it. The note of $625,000 given the Fort Worth National Bank on account of the Seaboard judgment, has now (October, 1953) been paid in full, and all security released.

XVIII

The Truth About My Alleged $50,000,000 Donation

YE are of your father the devil, and the lusts of your father ye will do. He was a murderer from the beginning, and abode not in the truth, because there is no truth in him. When he speaketh a lie, he speaketh of his own: for he is a liar and the father of it.
—St. John 8:44

With the above title I published January 30th 1950, a history of my proposed donation to Jefferson Military College, which I quote in substance:

In 1949 I proposed to donate one-half of my mineral estate in Mississippi and 26,000 acres of land to the Jefferson Military College, on condition that it amend its charter reducing the number of trustees from fifteen to five and providing that persons of Asiatic and African descent be excluded. This provoked a violent attack on me by the Anti-Nazi League, the Jewish press and certain radio commentators. In his broadcast October 30th, 1949, one commentator referred to "the fifty million dollars offered to a military school by Geo. W. Armstrong, a miserable old man of eighty-four," and stated in substance that it was stipulated that the school "teach racial prejudice"; that while other Americans were paying the highest taxes in history "this hateful man's trust fund money of four and a half million dollars in not even taxed"; and referred to me as "an unspeakable bigot." A similar broadcast was made by another commentator of similar stripe on the same date. These broadcasts were malicious lies,

inspired by the Anti-Nazi League. They are in themselves of no public importance and I am of no importance, but the agents and agencies and henchmen of those who seek to destroy our system of government are public enemies, and as such they are important.

It is true that I am eighty-four years of age, but it is not true that I am a "hateful old man" who has established a trust fund of four and a half million dollars to escape taxation, and that I am an "unspeakable bigot" or any other kind of bigot. I am an optimistic, youthful man of eighty-four years, happy and unimpaired by age—except as to eyesight and hearing—whose only ambition is to be of service to my country. I am not anti-Semitic but I am anti-Zionist, for the Zionists are socialists and communists, and seek to change our system of government.

I have not extablished a four and a half million dollar tax exempt trust fund. I have conveyed one-tenth of my mineral interest to trustees for the purpose of paying stipulated modest sums monthly to the beneficiaries, and upon which they pay taxes. All of the beneficiaries are relatives except one, who is the widow of my deceased friend and benefactor, Mr. Kirby.

I have also established The Judge Armstrong Foundation, for charitable and educational purposes, and have paid into it about $10,000 annually for the past few years. This was less than 10 per cent of my annual income during that period; the law grants deductions of contributions up to 15 per cent. The Treasury Department granted it tax exemption, but has cancelled the order and imposed a substantial tax against me by disallowing my contributions to the Foundation.

The following is a photostatic copy of a letter which was addressed to the members of the Anti-Nazi League and signed by James H. Sheldon, administrative chairman:

[illegible] by the [illegible] Laws. They are [illegible] of the public [illegible] of the [illegible] the [illegible] and [illegible] of them. [illegible] to abolish this system of government and [illegible] and so truly they are benefitted.

It is true that I am eighty-two years of age, but it is [illegible] that I am a "full-blood Indian" who has [illegible] [illegible] [illegible] [illegible] and that I am [illegible] [illegible] [illegible] of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] in my memory. I am not [illegible] that I [illegible] [illegible] the [illegible] and ask to abolish this system of government.

I have [illegible] [illegible] and a half miles of [illegible] [illegible] [illegible] land. [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] of giving [illegible] [illegible] to the [illegible] [illegible] they may [illegible] [illegible] [illegible] [illegible] [illegible] blood and friendship of this land.

I have also concluded [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] rights of the Constitution.

The following is a [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

Non-Sectarian ANTI-NAZI LEAGUE
TO CHAMPION HUMAN RIGHTS, Inc.
165 WEST 46th STREET • NEW YORK 19, N. Y.
Cable Address NOSAN
Telephone: PLaza 7-8430

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BY SAMUEL UNTERMYER

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MISS TONI SENDER
MISS LISA SERGIO
MAX SILVERSTEIN
HERMANN STERN
DEAN WILLIAM E. TAYLOR
MILTON A. TEPLIN
ANDREW VALUSEK
JOSEPH WHITE
MAX ZARITSKY

SPECIAL APPEAL:
STOP THE "HATE FACTORY"

November 29, 1949

Dear Member:

Recently our office worked all night. This is why:

The Trustees of Jefferson Military College, one of America's oldest military schools, had voted to accept a $50,000,000 endowment from a multi-millionaire anti-Semitic agitator named George W. Armstrong. There were "strings" attached to this huge fund -- a requirement that the school indoctrinate its cadets with the kind of "racial superiority" doctrines that Hitler saddled upon Germany.

This would have created in Mississippi a "Hate Factory" with a permanent tax-free endowment larger than that of Princeton University, the University of California, or Massachusetts Institute of Technology.

The League acted immediately. We asked the President to have this school barred from the list of approved preparatory institutions for the U.S. Military Academy at West Point. We took action to start the removal of a United States Attorney who had been serving as counsel in negotiating this scheme. We prepared briefs for a complaint against Armstrong's political activities under the Federal Corrupt Practices Act.

The result: Six days later the trustees of Jefferson College called off the deal -- due largely to our activity (as was recognized by the New York Herald Tribune in its story of October 29).

BUT -- multi-millionaire Armstrong has just announced that he is giving his 50-million dollar "hate fund" to the notorious Judge Armstrong Foundation. This is the outfit which has been campaigning to amend the Constitution so as to prevent Jews and Negroes from voting. It has flooded the country with pamphlets urging the government to arm the Arabs so as to destroy the "menace" of the Jews in Israel. I enclose an article with a photostat of an inflammatory letter which this "educational foundation" recently sent to every member of Congress.

Armstrong is also one of the chief financial backers of Gerald L.K. Smith, the agitator who publishes The Cross and the Flag -- the biggest of all the anti-Semitic "hate sheets" in this country.

"Front man" for Armstrong in the Jefferson College plot was to have been General George Van Horn Moseley. Speaking at a secret meeting of anti-Semitic agitators from 28 States, assembled by Gerald L.K. Smith in St. Louis last month, Moseley said (quoting from the report of our undercover observer who was there): "I have only one thing to say about the Jews: As for me, the whole tribe should be eliminated from the human race."

Now Moseley and Smith will become Armstrong's right-hand men in his new, stream-lined campaign to spread the evil virus of bigotry and race hatred.

The danger which every American faces from the existence of such a propaganda mill as the Judge Armstrong Foundation, in the possession of almost unlimited funds, is so grave and so obvious that I do not need to spell it out.

Our job is to press our investigation of this un-American set-up, till we can expose and destroy it in the same way we dealt with the Nazi Bund or the Columbians.

To do this, we need money.

We have won tougher battles -- and we have already won the first round of this one. But if we are to succeed in this emergency -- perhaps the gravest since the establishment of the Nazi Bund -- we need much more money than our regular budget provides.

I therefore urge you to send in a special emergency contribution to the Non-Sectarian Anti-Nazi League, right away, over and above anything you may already have planned to contribute. And try to make your check for the largest amount possible, to help meet the emergency.

May we hear from you right away?

Yours for a better America,

James H. Sheldon

JAMES H. SHELDON
Administrative Chairman

JHS:rt
Encls.

It will be observed from Mr. Sheldon's letterhead that Samuel Untermeyer founded this League in 1933. It was about that time that Untermeyer, on his return from a World Jewish Conference, proclaimed a boycott against Germany, which was published in Father Coughlin's *Social Justice* Magazine. The chief financial backer of this League outfit is reported to be an alien Belgian immigrant.

It will be observed also from Mr. Sheldon's letter that he claims that his League brought about the rejection of my alleged $50,000,000 offer to Jefferson Military College—which could be true *except* that I made no such offer. I proposed to give the College one-half of my mineral estate together with 26,000 acres of land (28 plantations) which I then estimated at a substantial value but nothing like $50,000,000. I own a large interest in five oil fields and most of the acreage in three of them, but none of them has been fully prospected and developed, and their value is speculative.

It will be observed further that this Sheldon letter is a special appeal for an "emergency" fund and that its purpose is to "expose and destroy" this "un-American set-up in the same way we dealt with the Nazi Bund or the Columbians."

I am informed that there are about 15,000,000 Jews in America and that 95 per cent of them are Zionists. If this be true there are probably more than 10,000,000 Zionists in our country and probably more than 1,000,000 members of the Anti-Nazi League, which at one dollar per capita would amount to $1,000,000.

What do they propose to do with this huge fund? The president of the Columbians was reported to have been convicted with perjured testimony at less cost. It won't take that much money to hire witnesses. This fund

It will be observed that Mr. Sheldon's statement that Samuel Untermyer founded this League in 1933. It was then that was the [illegible] of [illegible] when a World Jewish Conference proclaimed a Boycott against Germany, which was [illegible] as [illegible] [illegible]. The [illegible] of this League which is reported [illegible] [illegible] [illegible].

It will be observed also that Mr. Sheldon [illegible] that he knows that one [illegible] [illegible] about the [illegible] of [illegible] the [illegible]. [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] of the [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible].

It will be observed further that [illegible] [illegible] a [illegible] appeal for [illegible] "boycott" fund and [illegible] [illegible] [illegible] "Jews and [illegible]" [illegible] [illegible] in the [illegible] [illegible] [illegible] Mr. [illegible] [illegible] "Gentiles."

I am informed that there are some 4,000,000 Jews in America and that 90 per cent of them are [illegible]. If this be true they are probably more than [illegible] in the country and [illegible] [illegible] 1,000,000 members of the American League [illegible] [illegible] [illegible] per capita would amount to [illegible].

What do they propose to do with this large fund? The president of the [illegible] was reported to have been [illegible] with [illegible] [illegible] of the [illegible]. It [illegible] [illegible] that [illegible] [illegible] in [illegible] [illegible]. [illegible] is for the obvious purpose of destroying our segregation laws and promoting mongrelization, and destroying everybody who obstructs them. It is also for the purpose of arousing hatred against patriots who seek to restore and preserve our constitutional system of government. This is rather an ambitious program that may require considerable money.

Mr. Sheldon says that I seek to "amend the Constitution so as to prevent Jews and negroes voting." It is my present intention to devote my fortune to the purpose of restoring and preserving *Constitutional Government* through educational media. We can not have it with the Zionists and negroes controlling our elections as they now do.

14TH AND 15TH AMENDMENTS

The 14th and 15th Amendments to our National Constitution were first submitted to the Southern States in 1866 (the year of my birth) and were *unanimously rejected*. After the conclusion of the war between the states, the radicals, under the leadership of Thaddeus Stevens the negro lover, obtained control of Congress and inaugurated the infamous Reconstruction Period. They *disfranchised the Confederate soldiers* and enfranchised the negroes (prior to the adoption of the 14th Amendment) and then declared the Southern States "rebel provinces" in spite of the opposition of Presidents Lincoln and Johnson and Grant. They then re-submitted the 14th and 15th Amendments and they were adopted by the votes of the negroes and carpetbaggers. Congress thereafter provided that these "rebel provinces" must accept these Amendments (the 14th and 15th) as a condition of being re-admitted into the Union. The southern white people

resented their treatment during the Reconstruction Period. They held the Republican party responsible for it. The adoption of these Amendments made the South solidly Democratic.

The 14th and 15th Amendments *were never legally adopted.* The white people of the South were denied the opportunity of voting on them; they should be given that opportunity, and both amendments should be repealed. They are responsible for the Pendergast and other corrupt city political organizations. But for them we would not have had the Roosevelt and Truman Administrations and a bankrupt Government.

The negroes and immigrants are now being employed to promote the "Welfare State." Major Robert H. Williams, in his booklet, *FEPC and the Minority Machine,* states:

> The negro population of Los Angeles jumped from 63,744 in 1940 to 134,000 in 1946 and an estimated 170,000 in 1949; that of Detroit from 145,000 in 1940 to 340,000 in 1947; and that of Chicago from 277,371 in 1940 to an estimated 440,000 in 1947.

Many young negroes have migrated from the South to these and other cities during the past few years, and the migration continues at an increasing rate. Major Williams says further that "figures showing the Jewish influx are not available" for the reason that the New Dealers cover up this information. He quotes Senator O'Connor as saying that "official estimates of aliens *illegally* in this country range up to 5,000,000."

Senator McCarran, chairman of the Senate Judiciary Committee, throws much light on this vital subject in his report to Congress (Congressional Record, January 6th, 1950, page 119), in which he says:

> Of the hundreds of thousands of displaced persons who were admitted into the United States during the war years, it is reliably estimated that four-fifths (4/5) were Jews.

He says further:

> I am confident, on the basis of my investigation, that there is a complete breakdown in the *administration* of the (immigration) law.

Senator McCarran also states that,

> Notwithstanding repeated evidence of fraud and misrepresentation, not a single displaced person who has thus far been admitted by virtue of such fraud, has been returned to Europe.

This is an alarming situation for it has the support of President Truman and his bureaucrats. President Truman complained in a press interview that Jews and Catholics were being discriminated against in the admission of displaced persons; when in fact the most of the immigrants are Jews, according to Senator McCarran.

THE ARABS

I have not flooded the country with pamphlets "urging the Government to arm the Arabs so as to destroy the menace of the Jews in Israel." I think, however, it would be a good thing to do; but I have never written a pamphlet on the subject, nor have I seen one. I admit that I am opposed to the Government's entire Asiatic policy. To its double-crossing the Nationalist Government of China. To its support of the Zionists in driving seven million Arabs from their homes and appropriating their property. To its recognition of the Zionist state of Israeli. To its *giving* the Zionists $100,000,000 of our money in flagrant violation of our National Constitution.

I am opposed to lending the Zionist United Nations $100,000,000 for building its capitol in New York City, and lending $140,000,000 to the Kaiser-Frazer Company, sponsor of the radio program mentioned. Both of these loans are also in flagrant violation of our Constitution.

President Truman's message to Congress on January 3rd, 1950, failed to discuss his vital Asiatic policy and his proposed Welfare State. It was an evident effort to sugar-coat his program and to make it acceptable to Congress and the American people.

PATRIOTS

It is true that I have made small contributions to several American patriots who seek to preserve Constitutional Government. I am highly honored that General George Van Horn Moseley is my friend and is associated with me.

JEFFERSON MILITARY COLLEGE

"Is it not lawful for me to do what I will with mine own?"

—St. Matthew 20:15

I did not know until I received a copy of Mr. Sheldon's letter that the Zionists claimed to have brought about the rejection of my alleged $50,000,000 proposed donation to Jefferson Military College. The facts about this proposed donation are briefly stated in a couple of newspaper articles. On November 2nd, 1949 I made the following statement:

> All of this publicity and furore about my proposed donation to Jefferson College is a "tempest in a teapot." I haven't any 5 million or 50 million but only a good prospect of having it. There is a big difference between cash and a prospect, however good.

These are the simple facts: The trustees of the College applied to me for help and my Foundation let them have $6,500. I later proposed that I would give them one-half of my mineral estate in Mississippi and about 26,000 acres of land if they would amend their charter as follows: (1) Reduce the number of trustees from fifteen to five, and give The Judge Armstrong Foundation the authority to name three of them. (2) Provide that persons of African descent (which includes negroes) and Asiatic descent (which includes Jews) should be excluded. My offer was unanimously accepted, and rather enthusiastically so. Later, they sought to get me to change it, which I refused to do.

In an interview, my son A. J. Armstrong (who was a member of the Board of Trustees of Jefferson Military College), stated that Latin Americans, who are mostly Catholics, would be admitted, and that the school would promote the supremacy of white Christians. I approved this declaration of policy, but it was not a suggested charter change. The Jews have exclusively Jewish schools, and the negroes likewise. Why should not the white Christians have at least one for themselves alone?

The reported statements attributed by the press to the Rev. Dr. Harrison Baker, a trustee of Southern Methodist University, are not true. I did not offer S.M.U. any sum of money whatever, I did not demand that the trustees discharge Dr. Umphrey Lee, its president, or the Jewish students. I simply protested against the sponsorship by S.M.U. of a lecture course maintained jointly with the Dallas Temple Emanu-El Synagogue, the speakers for such lectures being selected or OK'd by the Synagogue; and I called on Dr. Lee to repudiate this unholy alliance. For the Jews are not Methodists, they are *anti-Christ*—while S.M.U. is a Methodist Church School and *presumed* to represent Methodist doctrine.

> I thought I had the right to make this protest because I had been a member of the Southern Methodist Episcopal Church; but I am not a member of the United Methodist Episcopal Church. Moreover, I had some responsibility for the inception of S.M.U. In company with my personal friends, Bishop H. A. Boaz and the late Bishop Sam Hay, we initiated the movement with the trustees of Southwestern University at Georgetown.
>
> I have concluded that I will make no disposition of my mineral estate until its value is further developed.

On November 12th, 1949, because of the continued misrepresentation of my position, I issued a further statement to the press:

> There has been such hullabalco and so much misrepresentation about my proposed donation to Jefferson Military College that I owe it to myself to publish the facts.
>
> I did not seek to give the College my alleged "millions," but the Trustees through the Chairman of their Executive Committee, sought a loan or donation from me. He said that the College was broke, that it owed $6,500, and that it must have the money or close.
>
> My Foundation let them have the money without interest and without obligation to repay, on condition that the Trustees would amend their charter and give it authority to control the school, and to exclude persons of "Asiatic or African descent." I stated to them that I desired to devote my Mississippi property to the building of a great university in Mississippi and to expand J.M.C. into one; that I did not care to commit myself to the enterprise until I was certain that my mineral estate—then and now in process of development—had a value of $10,000,000 or more. It was for

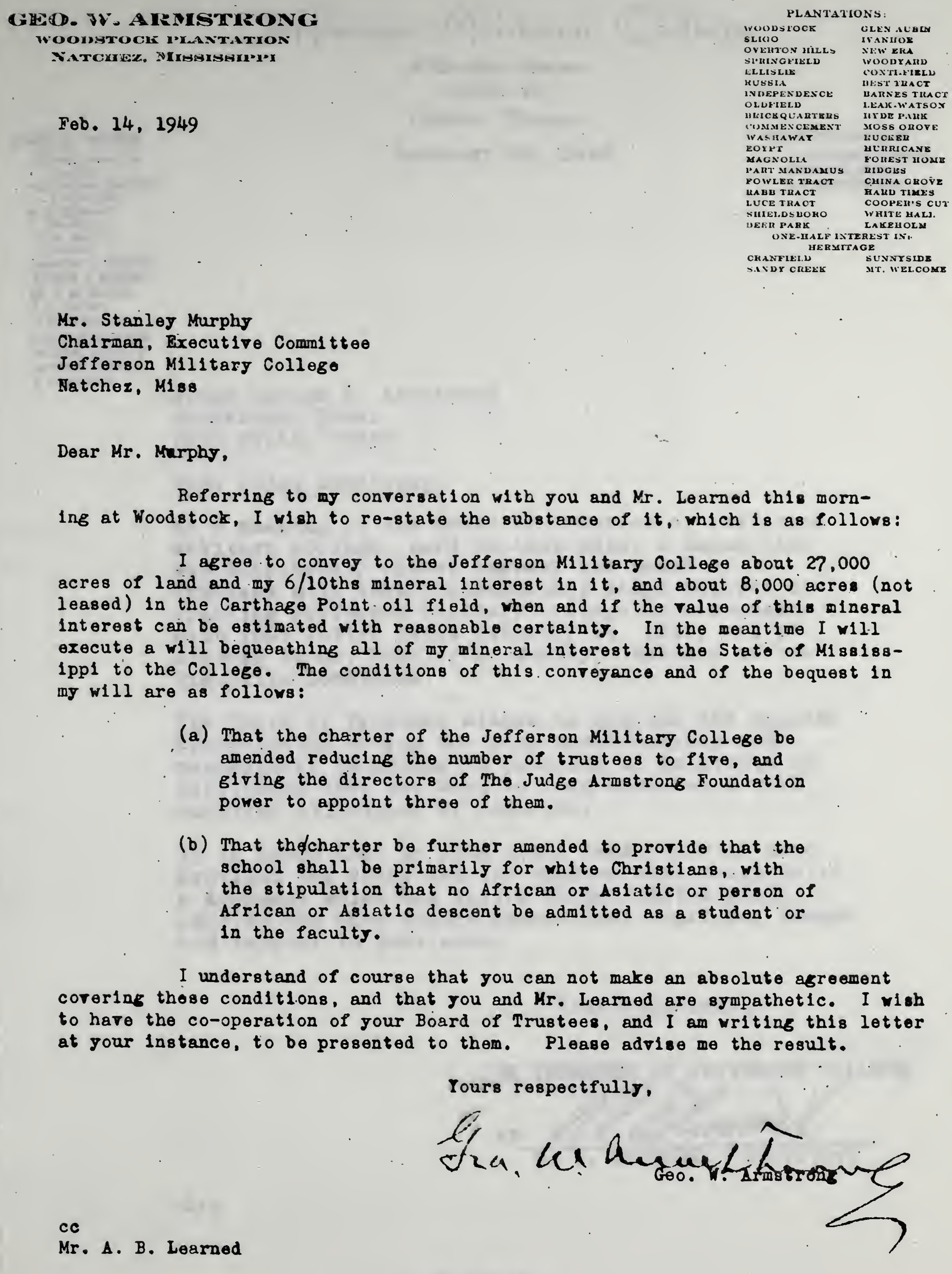
that reason that we postponed consummation of our agreement for several months.

The Jefferson Military College charter was granted in 1802 by the Territory of Mississippi while negroes were slaves, and they probably now have the legal right to attend the school although they have not exercised it. The charter does not specifically bar any nationality or race, and therefore all are presumed to be admitted—negro, Jew, Chinese, Japanese and "what not." But no negro has ever been admitted to the school. I desired to make the proposed university a selective school confined to white Christians, including Protestants of all denominations, and Catholics. The trustees knowingly accepted the money. The time to protest my conditions was when they were proposed, and not after they obtained the money.

The Chairman of the Executive Committee later reported to me that an error had been made in estimating the school's losses and that they required an additional $5,000. Accordingly I endorsed the College's note at the bank for that amount, and in addition agreed to guarantee its expenses for the current scholastic year.

When the Armstrong Oil Feld was discovered I advised the trustees that I was ready to donate to the College one-half of the mineral estate of my land (about 42,000 acres) and a fee simple title to about 26,000 acres (28 plantations), and requested them to amend their charter in conformity with our agreement. They later sought to get me to change the agreement and I refused to do so.

I here reproduce my proposition of February 14th, 1949; also a letter dated February 28th, 1949, written by the Secretary of the Board of Trustees of Jefferson Military College; and letter dated October 21st, 1949, from the Chairman of the Executive Committee.



GEO. W. ARMSTRONG
WOODSTOCK PLANTATION
NATCHEZ, MISSISSIPPI

PLANTATIONS:
WOODSTOCK
SLIGO
OVERTON HILLS
SPRINGFIELD
ELLISLIE
RUSSIA
INDEPENDENCE
OLDFIELD
BRICKQUARTERS
COMMENCEMENT
WASHAWAY
EGYPT
MAGNOLIA
PART MANDAMUS
FOWLER TRACT
RABB TRACT
LUCE TRACT
SHIELDSBORO
DEER PARK
GLEN AUBIN
IVANHOE
NEW ERA
WOODYARD
CONTI-FIELD
BEST TRACT
BARNES TRACT
LEAK-WATSON
HYDE PARK
MOSS GROVE
RUCKER
HURRICANE
FOREST HOME
RIDGES
CHINA GROVE
HARD TIMES
COOPER'S CUT
WHITE HALL
LAKEHOLM
ONE-HALF INTEREST IN:
HERMITAGE
CRANFIELD
SANDY CREEK
SUNNYSIDE
MT. WELCOME

Feb. 14, 1949

Mr. Stanley Murphy
Chairman, Executive Committee
Jefferson Military College
Natchez, Miss

Dear Mr. Murphy,

Referring to my conversation with you and Mr. Learned this morning at Woodstock, I wish to re-state the substance of it, which is as follows:

I agree to convey to the Jefferson Military College about 27,000 acres of land and my 6/10ths mineral interest in it, and about 8,000 acres (not leased) in the Carthage Point oil field, when and if the value of this mineral interest can be estimated with reasonable certainty. In the meantime I will execute a will bequeathing all of my mineral interest in the State of Mississippi to the College. The conditions of this conveyance and of the bequest in my will are as follows:

(a) That the charter of the Jefferson Military College be amended reducing the number of trustees to five, and giving the directors of The Judge Armstrong Foundation power to appoint three of them.

(b) That the charter be further amended to provide that the school shall be primarily for white Christians, with the stipulation that no African or Asiatic or person of African or Asiatic descent be admitted as a student or in the faculty.

I understand of course that you can not make an absolute agreement covering these conditions, and that you and Mr. Learned are sympathetic. I wish to have the co-operation of your Board of Trustees, and I am writing this letter at your instance, to be presented to them. Please advise me the result.

Yours respectfully,

Geo. W. Armstrong

Geo. W. Armstrong

cc
Mr. A. B. Learned

Jefferson Military College
A Non-Profit Institution
FOUNDED 1802
Natchez, Mississippi

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JAMES S. GILES
LAWRENCE ADAMS
S. N. MURPHY

EXECUTIVE COMMITTEE
S. N. MURPHY, Chairman
LAWRENCE ADAMS
F. R. BLANKENSTEIN

February 28, 1949

Judge George W. Armstrong
Blackstone Hotel
Fort Worth, Texas

Dear Judge Armstrong:

At a meeting of the Board of Trustees of Jefferson Military College, held on this date, a Resolution was unanimously passed whereby the Board of Trustees will take the necessary steps towards re-creating Jefferson Military College in accordance with your letter dated February 14, 1949, and addressed to Mr. Stanley N. Murphy, Chairman of the Executive Committee.

The Board of Trustees wishes to express its genuine appreciation to you for your unselfishness and magnanimity in making it possible to re-create an institution that has been so long associated with American principles of democracy.

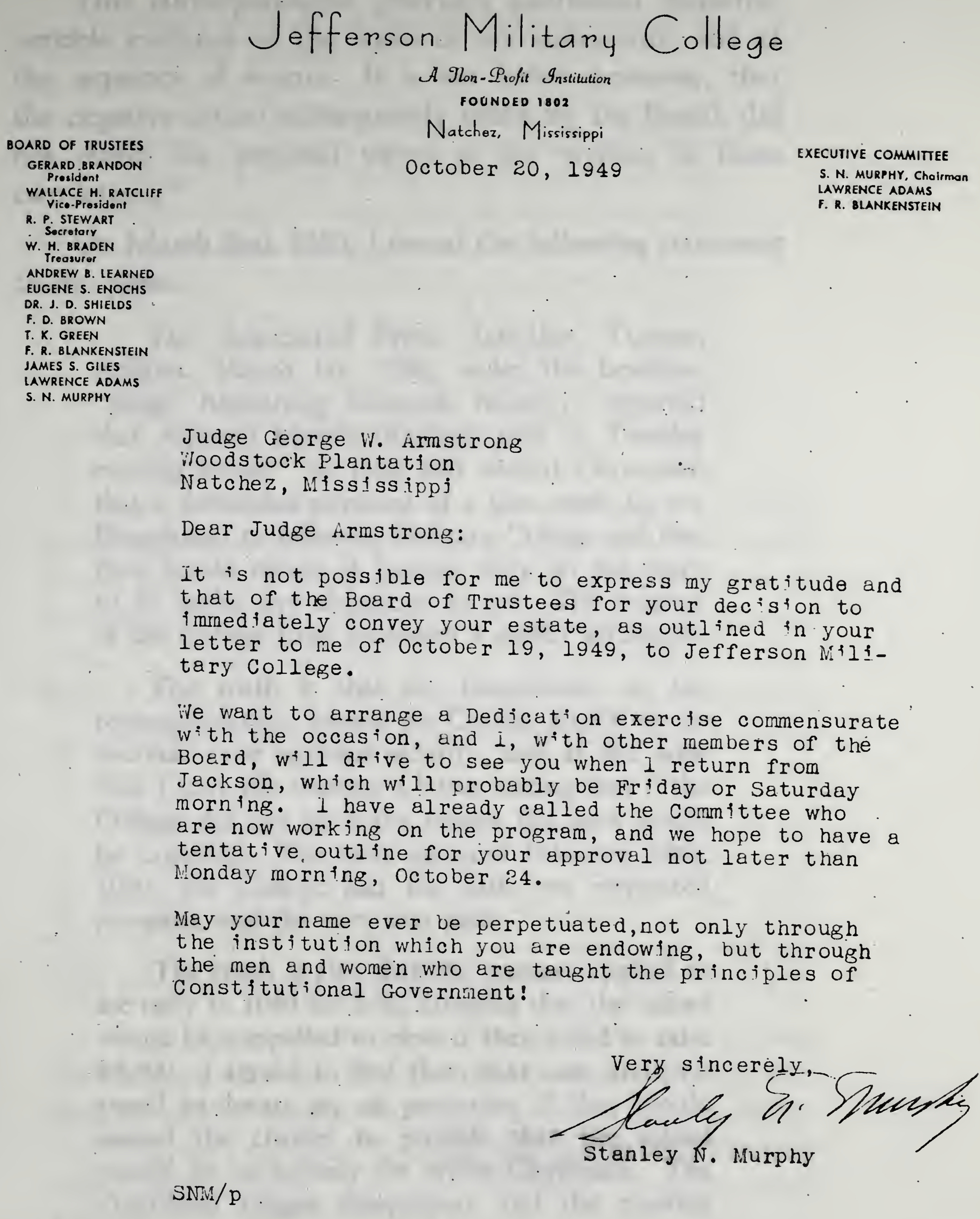
It is hoped that by your noble deed you will have provided the spark and the impetus that shall build a monument which the entire United States shall cherish and that future generations shall pay homage and respect to your name.

Very sincerely,

THE TRUSTEES OF JEFFERSON COLLEGE

BY R P Stewart
R. P. STEWART, Secretary

S/p



Jefferson Military College
A Non-Profit Institution
FOUNDED 1802
Natchez, Mississippi

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JAMES S. GILES
LAWRENCE ADAMS
S. N. MURPHY

EXECUTIVE COMMITTEE
S. N. MURPHY, Chairman
LAWRENCE ADAMS
F. R. BLANKENSTEIN

October 20, 1949

Judge George W. Armstrong
Woodstock Plantation
Natchez, Mississippi

Dear Judge Armstrong:

It is not possible for me to express my gratitude and that of the Board of Trustees for your decision to immediately convey your estate, as outlined in your letter to me of October 19, 1949, to Jefferson Military College.

We want to arrange a Dedication exercise commensurate with the occasion, and I, with other members of the Board, will drive to see you when I return from Jackson, which will probably be Friday or Saturday morning. I have already called the Committee who are now working on the program, and we hope to have a tentative outline for your approval not later than Monday morning, October 24.

May your name ever be perpetuated, not only through the institution which you are endowing, but through the men and women who are taught the principles of Constitutional Government!

Very sincerely,

Stanley N. Murphy

Stanley N. Murphy

SNM/p

This correspondence provides additional incontrovertible evidence of the truth of my statements, and of the sequence of events. It is my belief, however, that the negative action subsequently taken by the Board, did not reflect the personal views of the writers of these two letters.*

On March 2nd, 1950, I issued the following statement to the press:

> The Associated Press, date-line, Tucson, Arizona, March 1st, 1950, under the headline, "Judge Armstrong Demands Money," reported that Admiral Merrill (Retired) told "a Tuesday evening forum" (of Jews and alleged Christians) that I demanded payment of a loan made by my Foundation to Jefferson Military College and that they would return it because they do not want to be under any obligation to me. The trustees of the College have published a similar statement.
>
> The truth is that my Foundation, on my recommendation, loaned the College $6,500 on its one-year note without security, and at the same time I gave the trustees a letter stating that if the College did not have the money the note would be cancelled. The note matured February 28th, 1950, the College had the cash, we requested payment, and the note was paid.
>
> The truth is also that the trustees applied to me early in 1949 for help, claiming that the school would be compelled to close if they failed to raise $6,500. I agreed to *lend* them that sum, and proposed to *donate* my oil properties if they would amend the charter to provide that the school would be exclusively for white Christians. The Anti-Nazi League complained, and the trustees

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*Letters reproduced through the courtesy of Mr. R. P. Stewart and Mr. Stanley N. Murphy.

> *welshed on their agreement;* and I withdrew my proposed donation.
>
> The wisdom of the proposed charter provisions is apparent, for the negroes, with Zionist support, are now trying to force their way into white schools. They claim it is to obtain equal "educational facilities," but it is in fact for "social equality." The Anti-Nazi League pretends to have taken offense on account of the published statement that I am for "white supremacy." But that is only a flimsy excuse; the real reason is because of my proposed charter changes excluding Asiatics (Jews) and Africans (negroes).

I have no prejudice against Jews or negroes. I have a few good Jew friends and many negro friends. I think I may have more negro tenants than any other farmer in Mississippi. When one of them has trouble he always comes to me for help and gets it if he is worthy. About forty-six years ago it was my privilege and duty to protect the negroes from a mob of infuriated men, and I did so at the risk of my life.*

I am opposed to mixing the races in our schools for it will inevitably lead to conflict, to mongrelization and to the deterioration of the Anglo-Saxon race. The Jews have their exclusive schools, and so have the negroes. The white Christians are entitled to the same privilege.

I am opposed also to internationalism, to socialism and to communism. To the extent that the Jews and negroes seek to change our republican form of government I am opposed to them. I stand four-square for Constitutional Government, for our Christian religion, both Protestant and Catholic, and for white supremacy.

---

*This incident is herein related in Chapter VI.

Promptly after the rejection of my conditions an office was established in Natchez to receive contributions to the school, a committee was appointed in New Orleans and a representative was sent to New York. I am informed that the amount contributed was negligible.

What a sad situation for Jefferson's namesake, with its ancient glorious history.

NEGROES

The negroes and the Zionists now seek to annul our racial segregation laws. This is not for the purpose of obtaining "equal educational facilities," etc., but for establishing "social equality." There are many office-hungry politicians who appear to be willing to degrade the white Christian race in order to obtain or hold office. The F.E.P.C. and the repeal of our segregation and poll tax laws are schemes to control our elections and through such control to communize America. The negroes are migrating from the country to the cities, and the Zionists are now bringing in Zionist Jewish immigrants for the obvious purpose of controlling the national elections.

I have been raised among negroes and I like them and they like me, but they are not my equal nor are their children the equals of my children or grandchildren. I am superior by blood and inheritance to any and every man of African or Asiatic ancestry. The Anglo-Saxon race is superior to every other race. We are God's chosen people. Through us God has created this Christian civilization which we enjoy, and our forefathers founded this Christian government without the help of Jews or negroes. If that is bigotry then I am a bigot, but I regard it as pride of blood and ancestry.

In the Memphis *Commercial Appeal* of May 9th, 1948, the following article appeared:

LAW OF GOD

(Houston, Miss., *Times-Post*)

By Dr. J. Rice Williams

Segregation of animals, including man, is the law of God and the teaching of Christ. Everything after its kind is the fiat of God and the practice of the jungle. Genesis 1: 11, 25; Genesis 6 : 19, 20; Genesis 7: 14.

There is no amalgamation, or interbreeding, of man and beast, the eagle and the buzzard, the lion and the leopard, the eel and the snake, or of different species of eagles or different species of eels, with each other, or the birds of different kinds with each other. The American and the English eels breed in less than two miles of the same place. Throughout the thousands of years there has been no intermingling or amalgamation of the two.

When God directed the building of the Temple of King Solomon, at the time when He communicated direct with man, He directed that there should be separate courts, or apartments, for the Jew and the Gentile. Intermarriage was forbidden between certain tribes of the children of Israel. When Joseph made that noon-day meal for his brothers he set them by themselves: "Because the Egyptians might not eat bread with the Hebrews; for that is an abomination unto the Egyptians." Genesis 43:32.

The principle of segregation was the law of God and the teaching of Christ. This being true, segregation of the white man and the negro has scriptural authority and may be carried out with a clear conscience. God made the white man white and He made the negro black. This was not an accident, it did not "just happen." He did this according to His purpose just as surely as He raised Pharoah up "for a specific purpose."

> Inscrutable though this may be, it is true nevertheless. This was not an experiment of God nor a temporary expedient. It was intended by Him to last "till time shall be no more." God says through Jeremiah 13:23 that the Ethiopian (the negro) can not change his skin, and He implies thereby that he should not want to change his color or in any way destroy the handiwork of God. I am unable to understand how these "uplifting do-gooders" can think that they can improve on the work of the Almighty, the builder of heaven and earth, by destroying all racial distinction. God did not say that he had made all skin of one color, nor does the Scripture anywhere intimate that such would be desirable. Intermingling of the two races on terms of social equality inevitably leads to intermarriage. Intermarriage leads to amalgamation. Amalgamation leads to racial suicide. . .
>
> The way to improve the lot of the negro is to imbue him with racial pride. Teach him to be proud that he is a negro. Help him to go to the height of his ambition and ability *as a negro*. And above all, be fair and just with him in all your dealings with him. But remember: "Everything after its kind,"—or chaos.

ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH

The Zionist "Anti-Defamation League of B'nai B'rith" and the Zionist press have joined in the chorus against me. The ADL's chairman is reported to have said that I am a "hate monger" and that my proposed donation to Jefferson Military College is the "most vicious use of great wealth that our Nation has seen." Major Robert H. Williams, formerly of U. S. Military Intelligence, in his booklet "*The Anti-Defamation League* and Its Use in the World Communist Offensive," states that the B'nai B'rith is a secret lodge *for Jews only*, and says of its ADL:

incarnation though this may be. It is true nevertheless, "The race was a [illegible] to God and a temporary expedient." It was necessary to Him to [illegible] "till time shall be no more." [illegible]

[illegible]

[illegible]

[illegible]

> According to Government officials in investigative duties, and to my own information when on duty as a counter-intelligence officer, the Anti-Defamation League maintains a large number of investigators (spies),* to gather information on any individual *marked by the League for surveillance or public disgrace.*

DENIED OPPORTUNITY TO ANSWER LYING ATTACK

I sought to obtain justice by replying over the radio to the lying attack made on me, and requested the American Broadcasting Company to furnish me a transcript of the broadcast, and sent copy of my letter to the Federal Communications Commission. Instead of replying to me direct the Broadcasting Company wrote the F.C.C., sending me a copy, stating that they had received my request for time on the air to answer the attack; that they had also received my request for a copy of the script and had taken the matter up with the commentator but that contrary to his general practice in such instances—which was to grant such requests when made—he declined to make the script available to me.

Eventually I obtained a copy of the script. I again wrote the Broadcasting Company requesting time, and asking the cost of a fifteen minute period in which to reply to the attack. The president of A.B.C. replied that they did not believe it would be proper for them as licensees to grant my request. I then offered to furnish them a copy of my proposed reply so that they could better pass on that subject, and added that the time for them to have raised the question of propriety was when they allowed the lying attack to be made on me, and that as a matter of common fairness and decency I was entitled to the privilege of a reply.

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*More than 2,000, to spy on Christians.

There was no answer to this offer. I was not permitted the privilege of replying to the attack over the radio, and I therefore published a history of the incident.

Many of the Zionists are of foreign birth; they have abandoned their American citizenship and become citizens of the Zionist state of Israeli. They should be banished from America.

I am grateful for the thousands of letters that I have received approving the terms of my proposed donation to Jefferson Military College. They came from every State in the Union and many foreign countries. I regret that I was unable to answer them all, and particularly that I could not help all those who needed help and were worthy.

God has been good to me. He has given me a long and an active life, splendid health, and considerable wealth which I wish to devote to His service. I earnestly hope that it may be useful in restoring Constitutional Government and in preserving our great Christian civilization. My enemies can, of course, injure me, but they can not destroy what I have written, for it is *the truth.*

XIX

Ambition and Achievements

MY AMBITION has changed with my development. My earliest ambition as a farmer boy was to have a thousand acre farm and ride around horseback and superintend it; and to have "sliced sweet potato pie" every day for dinner. I now have more than 40,000 acres of land with approximately 5,000 acres in cultivation, and my tenants number about one hundred negro families. I still enjoy riding horseback over my land, and I have home grown sweet potatoes in my cellar and can have "sliced sweet potato pie" any time.

As a young lawyer I aspired to be Chief Justice of the Supreme Court of Texas, and to be a successful writer. In my twenty-eighth year I was elected County Judge of Tarrant County (Fort Worth). I was defeated for the third term and thus faded my prospects for the Supreme bench.

I also aspired to be Governor of Texas and afterwards President of the United States. I ran for the office of Governor upon a platform calling for a revolutionary change in our banking and currency system, viz., a State currency system. When Franklin Roosevelt was nominated upon a platform calling for "sound money" (which meant continued deflation) I publicly denounced the Democratic party and renounced my candidacy for the Democratic nomination. I made an independent race for Governor and thus abandoned any prospect of election as Governor

or President. My present ambition is to render some service to my country in preserving Constitutional Government.

Following my bankruptcy in 1923 I made an intensive study of the money question. My findings were first revealed in my books, The *Crime of '20*, and The *Rothschild Money Trust.*

My annual review for the year 1931 recorded the following:

> *February 4th, 1932.*—I perhaps should admit in this memo of my labor and aspirations that the impelling motives are:
>
> (1) A consuming desire to render some worth while public service before old age overtakes me.
>
> (2) Also a consuming desire to be of service to Governor Kirby and to show my gratitude for the wonderful help he has extended me.
>
> (3) And a consuming desire to be of service to those who have trusted me and who are dependent upon me.
>
> (4) To restore my standing and prestige in the eyes of men. This, I recognize, is but a natural reaction to the feeling of suppression under which I have labored for the past ten years.
>
> (5) I should mention further that I am actuated by an ambition to destroy the invisible power that manipulates the currency and credit system of our country, and that is responsible for the misfortunes of my friends and myself.

I have fallen far short of reaching the several high marks set for myself, but on the whole I have led a happy

and useful life. God has given me a rich experience and I have not "buried my talent" but have done the work that I think He set for me to do.

I have accomplished several things in which I take pride and which are worthy of mention, viz:

1. *I have written several books and pamphlets on money and the Jew that are worthy of careful thought.*

The writing of my books involved a great deal of laborious research, and their publication considerable expense. They were not written for profit, nor have they been profitable. Nor were they written for notoriety or fame, for in order to escape reprisals I concealed my identity in several of them. I have endeavored to think straight and talk straight. I do not, however, wish to misjudge men or their acts or motives, and I have not consciously done so. I have sought to tell the truth in a straightforward way without bias or prejudice.

2. *I have made adequate provision for all of the members of my family and a few others; have made my two boys comfortably rich through virtual gifts to each of them of 20 per cent of the stock of both the Texas Steel Company and Texasteel (now Liberty) Manufacturing Company, and sold each of them at a nominal price 10 per cent of the mineral estate of my Mississippi lands, which promises to be very valuable.*

The Texas Steel Company began making money promptly after getting rid of cut throat competition. It was soon able to pay, and paid, the accrued interest on its bonds amounting to about $45,000. My annual diary recorded the following:

> *January 5th, 1937.*—Trust Fund: The outstanding achievement of the past year has been the creation upon the part of my wife and myself of the "*Geo. W. & Mary C. Armstrong Trust,*" for the discharge of my moral obligations and for the benefit of some of our relatives.
>
> We conveyed $150,000 of the bonds of the Texas Steel Company, with accrued interest thereon amounting to about $45,000, to my sons A. J. Armstrong and Geo. W. Armstrong, Jr., *in trust* for the following purposes: (1) To purchase and give to Mr. Kirby, in recognition of his great service to me, his old home, known as the Peach Tree Village property of 6,000 acres, at a cost of $31,000,* which has been done; (2) to repay Jno. P. King and Walter B. Scott $12,000 that they had paid on account of a note endorsed for me prior to my bankruptcy;† and (3) to provide monthly payments to my daughter, my sisters, my wife's sisters, and my former wife and her sisters. These payments have been made regularly since June 1st, 1936, and I trust and believe will continue to be made during the lives of the beneficiaries.

When it appeared that a large part of my Mississippi land was rich oil land, and before its value as such was confirmed, I conveyed one-tenth of the mineral estate to a second trust and afterwards established the Geo. W. & Mary C. Armstrong Supplemental Trust, increasing the payments to the beneficiaries of the first Trust and providing for the payment of $300 per month to Mrs. Jno. H. Kirby, the widow of my deceased friend; $300 per month to each of my daughter's children; $150 per month to the widow of my deceased brother; and for monthly payments of $100 each to several additional beneficiaries. I may add that my wife Mary and I have

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*Plus $5,000 gift tax levied by the Federal Government.

†This also has been done.

obtained more pleasure from these Trusts and the knowledge that they have given a feeling of security to a number of fine people, than from any other acts of our lives.

By the same deed I also conveyed one-tenth mineral interest each to my wife and two sons, for a nominal consideration to be paid out of the first leases sold. The value of this mineral estate is not yet known. If it has the value it now appears to have, it alone will provide a sufficient estate for my wife and children. The income will be increased with the development of the property, and will, I hope, establish a reserve that will make it permanent. I now feel free to bequeath most of the balance of my estate for charitable and educational purposes.*

> 3. *I have established* THE JUDGE ARMSTRONG FOUNDATION, *for charitable and educational purposes. It is my intention to leave it the bulk of my estate, so that my money will work for good after my death.*

I incorporated this Foundation, anticipating that I will have a very substantial estate. I wish a part of the funds to be used for the destruction of the iniquitous Federal Reserve System, and for the repeal of the Fourteenth and Fifteenth Amendments to our National Constitution. This can only be accomplished by educating the people through the press, through colleges and universities, and otherwise. I hope that the books I have written and may hereafter write will qualify as educational, and that the trustees of the Foundation will distribute them free to all white native Americans south of the Mason and Dixon Line, and west of the Mississippi River.

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*Since writing the above I have made additional gifts to my wife, my children and grandchildren, of lands aggregating several thousand acres; and 600 acres with improvements to my farm manager, Mr. Berryhill, and his two sons Carey and Richard in my employ.

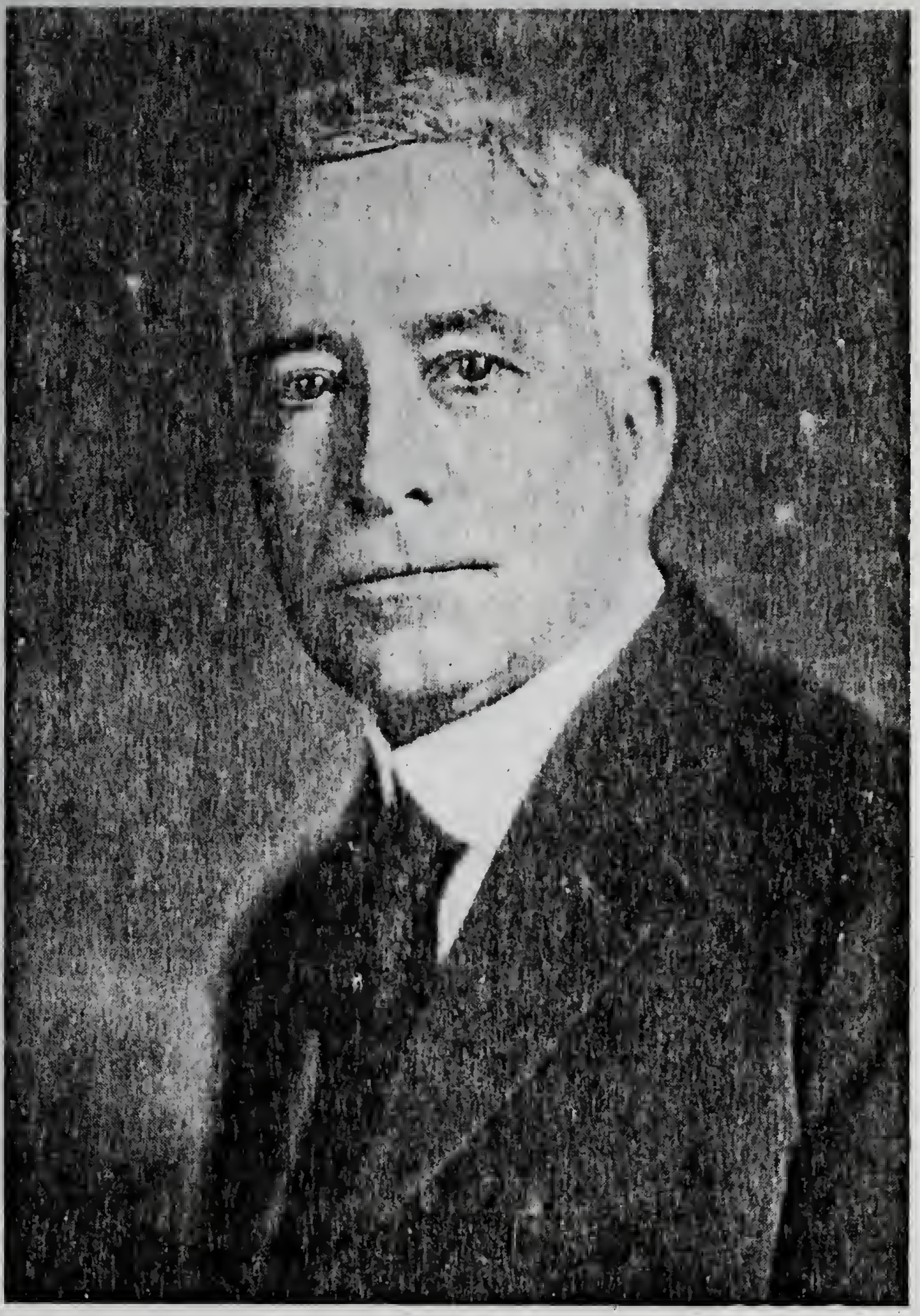
Mrs. Ogden K. Shannon

[illegible]

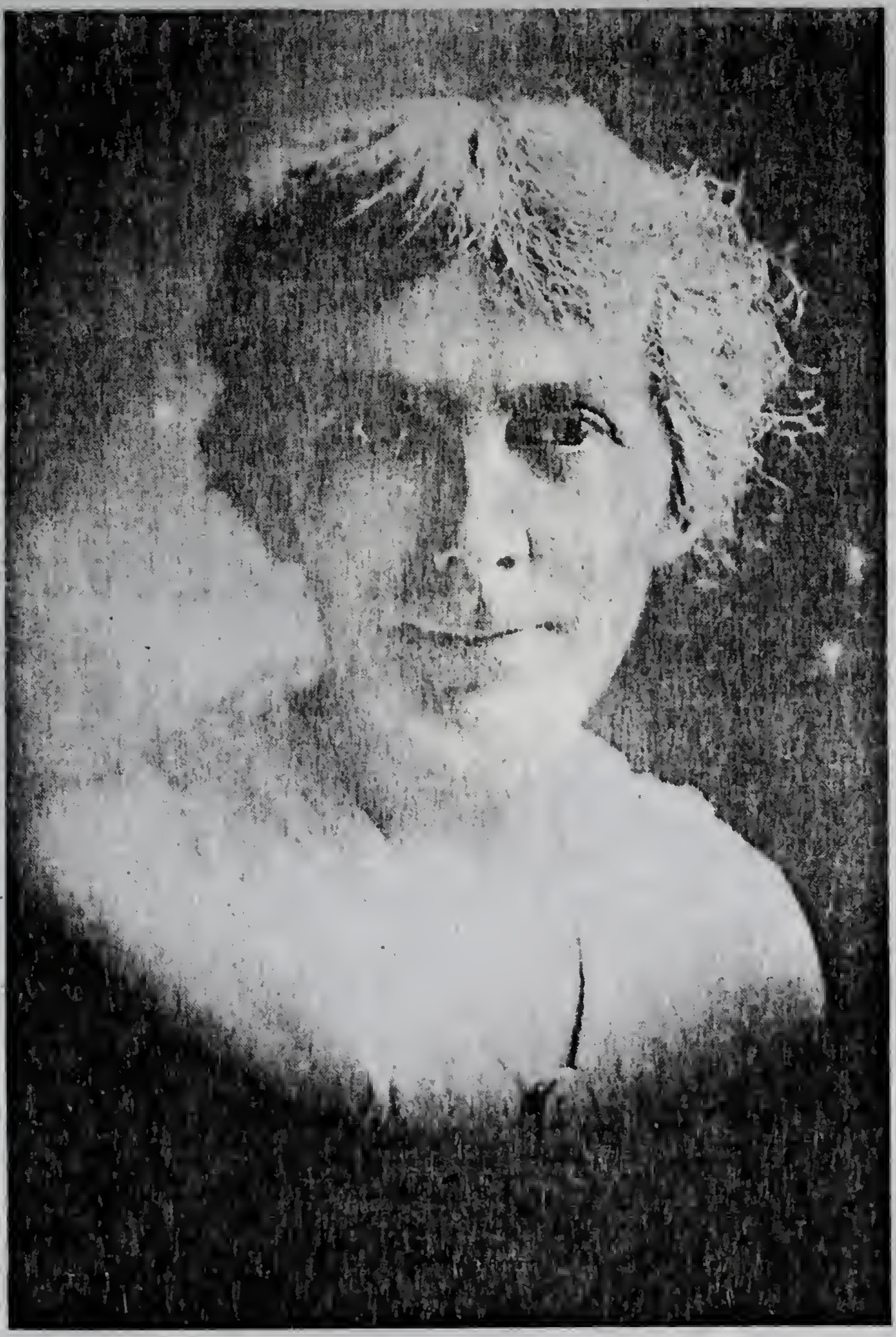
Mrs. A. Byron Flanary

Mrs. Charles L. Green

[illegible]



Ramsey C. Armstrong, Jr.



Mrs. James Quay McCammon

Mrs. George W. [Mary C.] Armstrong

Later.— The tax exemption privilege granted my Foundation has been cancelled, and a substantial tax assessed against me on contributions made to it. As a result I took the following action:

> 4. *I organized, November 10th, 1949, a new corporation under the name of* Texas Educational Association, *for carrying out my plans for furthering the preservation of Constitutional Government.*

General George Van Horn Moseley, a distinguished soldier and patriot, has been made president and director of the Association, the other directors now being my son, Geo. W. Armstrong, Jr., and my nephew, Y. Q. McCammon. I have conveyed to the Association three-tenths mineral interest in my Mississippi property and it will have substantial receipts from oil royalties, but has not yet begun to function actively.

⁂

Life with me has been one battle after another. Such success as I have had, has been due to my courage and tenacity and resourcefulness, and to God's help. I will not accept defeat. When I am right I am without the sense of fear, but when I am wrong I'm a coward: I can not even put up a good bluff. It is due in part to my legal training, for I have had some important lawsuits. My friend, Louis J. Wortham, once said of me that I was a born leader of a lost cause; that I could always find more ways to get out of a tight place than any man he ever knew, and that he would choose me as a general to lead a defeated army.

XX

Strictly Personal

I HAVE OFTEN wondered what a man would be like when eighty. I have now reached that age and can give expert testimony. Age has come upon me so gradually that I have never recognized any change. I think I am now as good a man physically and mentally as I was at fifty, and I know I am enjoying life more, for I am in better health and more pleasantly situated.

My hearing is impaired and I am a trifle near-sighted; and my memory, particularly for names, always poor, is not quite so good; but otherwise I discover no substantial change. I sleep well. My digestion is good but I do not eat so much. I take daily exercises, often ride horseback ten or fifteen miles without tiring. I am not content to fold my hands and take it easy; I want to be doing something, for it is a part of me. I have never injured any man or betrayed any woman. To me a good woman is angelic and a bad one is disgusting and repulsive. I have a clear conscience.

My first marriage, after a separation of many years, resulted in divorce. My first wife was a good, sincere, generous hearted woman, and she loved me, but temperamentally we were a misfit. We would have separated a few years after our marriage but for the fact that we had young children and we were for a long time very poor.

My two boys are both capable, energetic, trustworthy men, and I am proud of them. Allen is slightly

visionary and inclined to take the long chance without realizing the difficulties. George, on the other hand, is extremely conservative. Fortunately, they are fond of each other, and congenial. I have shown my confidence in them by making them presidents of my two companies, and trustees of my two trusts and of my Foundation.

My daughter Anne was a very beautiful, attractive, generous hearted girl, with a keen sense of humor. She was very popular and was chosen "Queen of the Pageant," an annual social event at Fort Worth during the Southwestern Exposition, which was gratifying to her mother. She was spoiled and is extravagant. She married Beverley Thompson, a capable and successful young lawyer and a son of my old friend, George Thompson. They were divorced about twenty years ago and Anne has been my responsibility since then. I have made adequate provision for her and also for her two children.

While I was County Judge a twelve year old motherless girl and her younger brother were brought to my court by neighbors to be placed in the County Orphanage. The boy was put in the Orphanage, but under the rules the girl Ada Belle was too old, so my wife and I took her out to our house temporarily until she could be placed elsewhere. We soon discovered that she was a sweet good girl and my wife and children became very fond of her. We gave her our name and raised and educated her, and made her one of the family. She practically raised Anne and is partially responsible for indulging and spoiling her. We sent the girl to State Teachers College to educate her for a teacher, but after graduation she fell in love with a good man and married him.

My dear sister Mittie (Mrs. J. Q. McCammon), has been a most wholesome influence in my life. She and I were near the same age and have always been compan-

ionable. She is a reproduction of my mother, kind, charitable and self-sacrificing. I recall when my mother's housekeeper left to live with her married daughter, it became our job to wash dishes; Mittie washed them and I dried them. I finally unloaded the whole job on her by telling her it made little boys sick to wipe dishes, and I probably acted the part. On one occasion my father and mother returned from a trip with some pretty striped stick candy for the children. My Grandmother Armstrong reported to them that I had been a bad boy and consequently my father divided the candy among the others. Mittie nudged me and left the room, motioning me to follow. We went outside and she offered me her part of the candy. That was and is "Sister Mittie."

I have two other fine sisters, Lolah (Mrs. A. B. Flanary), and Emma (Mrs. O. K. Shannon); another sister, Bertie (Mrs. Charles L. Green), died in 1909. My only brother, R. C. Armstrong, Jr., died in 1939.

I fell in love with Miss Mary Cozby, daughter of Dr. and Mrs. James Allison Cozby, and persuaded her to marry me. We were married March 8th, 1933, at Pauls Valley, Oklahoma. This has proven to be the most important and happiest event of my life. Mary is a very devoted, intelligent and unselfish wife; she is kind and understanding, and is helpful and sympathetic with my work.

In the language of old Doc, Mary "is all in all to me, and I is all in all to her." Doc is an old darky who was employed at my Horseshoe Ranch and is something of a hero worshiper where I am concerned. When I shipped my cattle from Oklahoma to Mississippi he came along with the cattle train and has lived on one of my plantations since. Some years ago he had a long spell of sickness. When he was able to be up he came to see us and confided trouble. She is a representative of our reliable, steady, dependable and self-sustaining. [illegible]

I [illegible] A. B. [illegible] H. C. Armstrong, [illegible]

I fell in love with [illegible] We were married [illegible] Oklahoma. [illegible] my eyes.

In the language of [illegible] employed at my Bonanza [illegible] When I shipped my cattle from Oklahoma to Wyoming he came along with the cattle [illegible] that he was convinced he was not going to live long and wanted to give us his little boy who was about four years old; then, turning to my wife, he said, "Mrs. Armstrong, de Jedge is all in all to me, and I is all in all to de Jedge," and added that if we would take his boy he knew he would receive good treatment, and he (old Doc) could die satisfied.

The years that Mary and I have walked hand in hand have been not only the richest and happiest of my life, but also the most rewarding. She is a true helpmate. Her encouragement and counsel, her loyalty and steadfastness, and her blind devotion, have been my shield and bulwark.

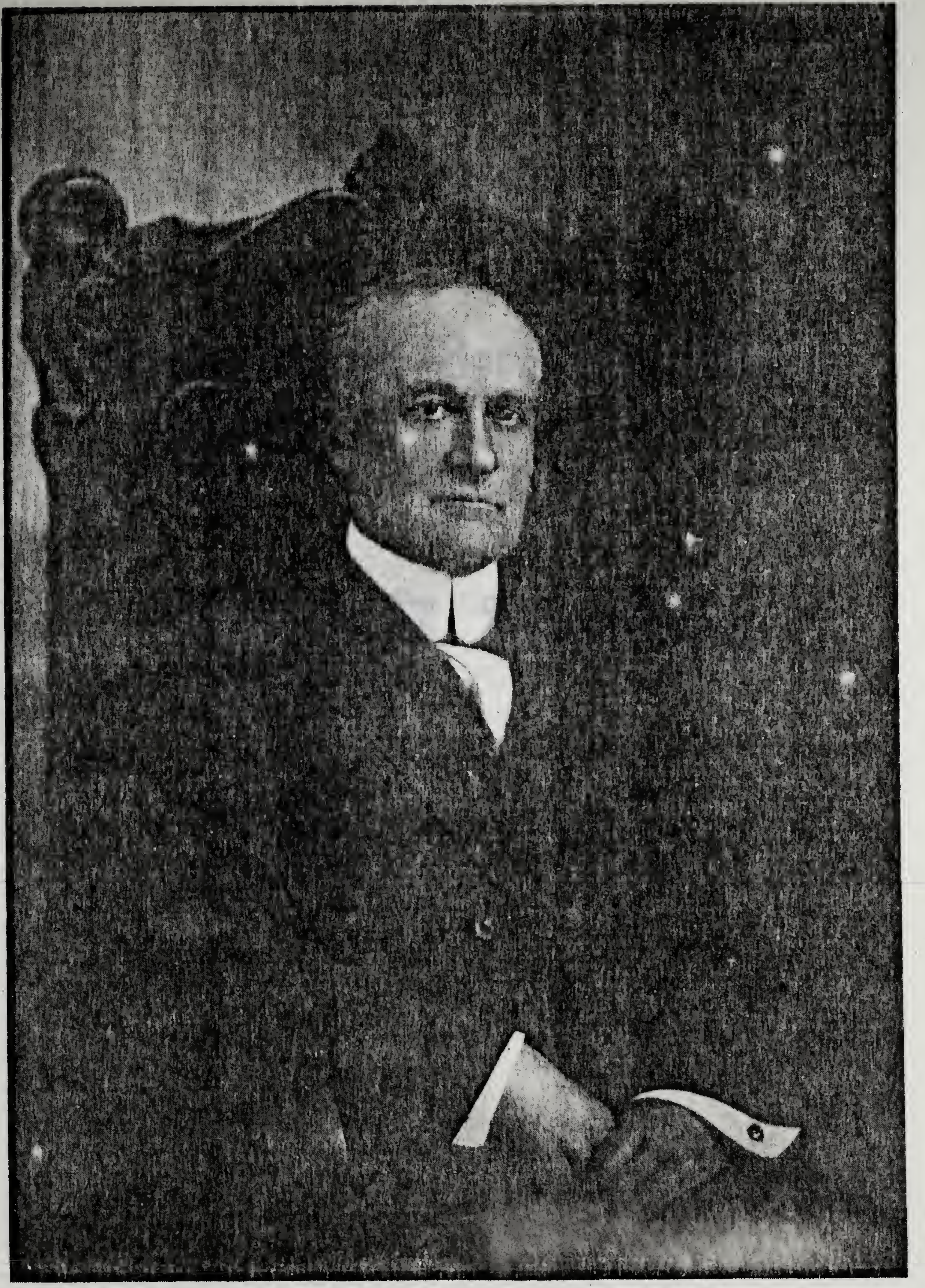
As a testimonial of my love and appreciation of the best and finest wife in the world, I gave my dear Mary bonds and other property to provide her an independent income. These gifts were made to my faithful, devoted wife in the hope and belief that they would contribute to her security and comfort during all of the years of her life.

Later.— Mary has been my cheerful and devoted companion, and day and night nurse since I was stricken. I do not want any other. She is thoughtful of me and does all those little things which mean so much. I love her devotedly, and she loves me. We are congenial in every way, and our marriage has been a happy one. My Mary is truly all in all to me, and I am all in all to her.

Annual and Decennial Diary

of

George W. Armstrong



George W. Armstrong, *LL.B.*

January 26th, 1866 — October 1st, 1954

Annual and Decennial Diary

of

George W. Armstrong

Annual and Decennial Diary

I HAVE KEPT an Annual and Decennial Diary for the past sixty years. It truthfully recorded for my own use my annual appraisement of my estate, my accomplishments of the preceding year, my ambitions and plans, my education on the subject of money, my estimate of our Government, and my efforts to reform it. It was not written for publication or for anyone's eyes except my own. Obviously I did not want to color the truth or deceive myself. I think that it may now be of some interest, at least to the members of my family, and in view of the fact that because of illness I have been unable to make my memoirs as full and complete as I had hoped to do. This record is necessarily voluminous and involves more or less repetition, and I will therefore state my observations made decennially prior to 1917, with a few intervening memos.

My first brief record was as follows:

1889

Twenty-Three Years of Age

December 18th, 1889. I wipe out my slate and begin anew. I have practiced law two years, been in the real estate business one year, and have done nothing six months, hunting a location.

As a result I have some experience in the practice of law and in business, know something of "man's inhumanity to man," have two farms in Ellis County worth about the amount I owe on them, have a half interest in two houses and lots in Ennis, have sufficient household furniture, office furniture and a law library worth $900, and am comparatively a stranger in a strange land and have a wife to support.

I now turn over several new leaves, believing I have learned a few valuable things in the School of Experience, though I have paid a ruinously high rate of tuition for the teaching.

The above is my capital stock entry.

1896

Thirty Years of Age

Forecast for My Fortieth Year

January 26th, 1896. My prophecy for the next ten years, made on this my 30th birthday:

1. Occupation: 1896-7-8-9 County Judge; 1901 and 1902 District Judge; 1903-1904 either Court of Civil Appeals Judge or Attorney General; possibly County Attorney 1899-1900. In that event will re-enter the practice in 1901 and will have an average income of $5,000 per annum.
2. Financially: Will be out of debt and have good property worth from $30,000 to $50,000 from which I will realize an income of about $3,500 per annum.
3. Morally: I will be a Christian and a gentleman "without fear and without reproach."
4. Socially: I will be respected, loved and admired.
5. Intellectually: I will be a good lawyer, a fair historian, a master of English, and a fluent and forcible speaker.

All of this I expect to accomplish during the next ten years. Why shouldn't I? It is a mere matter of will and energy.

Resolutions for New Year

January 1st, 1901

To be a Christian.

To at all times do right.

To try to get out of debt.

To make those around
me happy.

George W. Armstrong and *daughter* Annie May

1906

Forty Years of Age

January 26th, 1906

CHRONOLOGY

1886	Graduated in the University of Texas, June 16th, 1886.
	Begun the practice of law in Ennis, July 1886.
	Formed law partnership with D. F. Singleton, September 1886.
1887	Married Jennie May Allen, February 22nd, 1887. No money.
1888 1889	Formed a partnership in land and abstract business with S. H. Hurlock, about September 1888; and with W. H. Fuqua, about January 1889.
1890	Moved to Fort Worth, January 1st, 1890, with $280 cash and some furniture.
	Formed law partnership with Judge Jno. W. Friend, about March 1890.
	Was elected Alderman 7th Ward, about June 1890.
	Allen born October 12th, 1890.
1891	Dissolved partnership, and rented offices in connection with Wm. J. Bailey, January 1891.
1892	Formed partnership with R. W. Flournoy about January 1st, 1892.

1893	Bought home from R. N. Dunham, $500 cash and notes for $3,500, about March 1893.
1894	Was elected County Judge, November 1894.
1895	Annie May born July 8th, 1895.
1898	Was defeated for County Judge, for third term nomination, March 1898.
1899	Formed law partnership with W. A. Hanger and R. C. Armstrong, Jr., January 1st, 1899.
1901	George born April 27th, 1901.
1902	Was defeated for Congress, spring of 1902.
1903	Abandoned law practice and went in the oil and banking business in South Texas, April 1903.
1904	Went in the cotton business, as one of the lessees of round bale plants, October 1904.
1905	Obtained electric light and gas franchise, Fort Worth, August 1905.

ESTIMATE OF FINANCIAL PROGRESS:

Jan. 1st, 1896	Out of debt and house worth about $	3,500
" " 1897	" " " " property incl. home	7,500
" " 1898	" " " " " " "	15,000
" " 1899	In debt, and property incl. home	25,000
" " 1900	" " " " " "	32,500
" " 1901	" " " " " "	40,000
" " 1902	Running for Congress — no record	
" " 1903		84,000
" " 1904	In Oil Field, South Texas—no record	
" " 1905	" " " " " " "	
" " 1906		175,000

January 26th, 1906, (Continued): Ten years ago (my 30th birthday) I prophesied for ten years thence. I have just rounded out the ten years. I find that I fell far short of fulfilling my political destiny as I then saw it, owing to defeat. I have hardly met my then expectations morally, socially or intellectually, though I haven't fallen so very far short of the mark. Financially I have surpassed my expectations, my estimate then being from $30,000 to $50,000. I am easily worth $150,000 over and above liabilities. At this time my financial prospects are very flattering, while my political aspirations are not entirely dead. Realizing, as I do, how futile and unstable human plans and human fortunes are, I will venture to again prophesy for another ten years.

Forecast for My Fiftieth Year

I hope then to be a vigorous and active man, and to be one of the most influential and powerful men in the state.

I hope to have accumulated a fortune of from $750,000 to one million dollars.

I hope to be Governor of the State.

I hope that I will have no false pride, but that I will be a genial, generous, lovable man—a gentleman "without fear and without reproach."

I hope that my good wife and my bright, promising children will be strong and happy, and that the latter will be temperate and industrious, and that they will have correct principles and aspirations.

I shall strive to accomplish what I have outlined above, and if I retain my health and vigour and have no ill fortune I will accomplish the most of it.

1908

January 1st, 1909. What we design to do and what we do are two very different things. I have not made much headway in getting relieved of my responsibilities. I sold my farm, my Stockyards National Bank stock and my South Texas banks. But I still have the Light plant, and I have subscribed for $50,000 of stock and have taken the presidency of the Texas Rolling Mill.

I have had a continuous fight with the City Administration for the past six months, with the result that I have contributed to their defeat and tied them up in the courts. Have written many newspaper articles exposing their illegal and reckless acts, and had a joint discussion with the Mayor. With a shotgun I stopped city employees from cutting my Light Company's wires, and I enjoined the building of a city light plant and their efforts to forfeit my franchise.

1911

January 1st, 1912. The year just concluded has been a hard year. The outlook is better for next year. The money made last year was from the closing of the Electric Light Company deal by which I made a profit of $178,000 par value Fort Worth Power & Light Company stock now worth about fifty cents on the dollar; oil company dividends, Hubbell, Slack and other sources,—total about $127,000. There has been depreciation in property generally, including real estate and in my Rolling Mill stock. There has been a gain, however, in the value of my ranch property and of Hubbell, Slack & Company as well as

1910

January 12, 1910. What an [illegible] is [illegible] and [illegible] the [illegible] very [illegible] things. I [illegible] not [illegible] much headway in getting [illegible] of my [illegible]. I shall not [illegible] my [illegible] [illegible] and my [illegible] Texas lands. But I shall have the [illegible] and I have subscribed [illegible] the presidency of the Texas holding [illegible].

I have had a [illegible] with [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] my [illegible].

1911

January 19, 1911. [illegible] a hard year. [illegible]

Electric Company stock. I should make during the coming year from my two ranches—Trout Ranch (later Horseshoe Ranch) in Oklahoma, and Americana Ranch in Hidalgo County, Texas, $30,000; Hubbell, Slack & Company and Oil Mills $30,000; and other sources $40,000. Besides this my stocks (particularly Electric and Gas) should increase in value $50,000. It is reasonable to expect to make $100,000 next year and to decrease my liabilities at least $50,000.

My most serious problem is still the Rolling Mill which has lost money steadily for the past three and a half years. I have about concluded to close it down to await an improvement in general conditions if it can not be put on a basis where it will break even. I have more than $100,000 invested in this enterprise besides being on its paper for a large amount, about $200,000. It is my last venture. I had scarcely solved my bank and oil problems before getting into the Electric Light and Gas business. Before getting out of the woods on those I went into this Rolling Mill. Before even seeing a ray of hope in this I have gone into ranching pretty heavily, which like everything else starts off losing money.

In the face of a standing resolution to reduce my liabilities, they increase. The resolution, however, still stands. The next year promises to be a fairly good year and I ought to be able to carry it out to some extent.

I now look forward to becoming inactive in business at the age of fifty (four long years more) when I expect to be worth about one million dollars and to be easy financially. In the meantime I am going to spend as much time out of doors and in travel as possible. When my business career is over I shall devote much of my time and means to public service and the assistance of those less fortunate.

1913

January 1st, 1914. My cousin M. B. Armstrong and I bought and stocked a ranch in Coal County, Oklahoma, during the past year.

The Texas Rolling Mill Company for the first time made money, about $25,000. Hubbell, Slack & Company has been incorporated, and has had a fair year's business.

Allen has married during the year. I have given him property of the value of about $12,000. In order to make certain that my other children will receive an equal amount I am setting aside property to each of them of about the same value, which I shall manage and control for them until they become of age. This is start enough for them if they are thrifty, and enough for them to lose if they are not. In making these gifts I have accomplished one of the things for which we strive.*

---

*1954.—Allen had one son, George Allen, by this marriage; by his second marriage (to Miss Melody Hall) he had three children, Thomas K., George W., III, and Melody. Anne has two children, Beverley Jr., and Betty Jane. George Jr., has only one child, a daughter, Helen Murray. I have several great-grandchildren, the most recent being Thomas K. Jr., born February 27th, 1954.

1916

Fifty Years of Age

January 1st, 1917. For a long time I have looked forward to a lessening of my activities about my 50th year. It is the irony of fate that it has been my most strenuous and active year and one of the most hazardous of my life. The partners of the firm of Steger & Company appointed me to collect in its assets and pay its liabilities. This business has taken a great deal of my time, injured

1915

January 1st, 1915. [illegible]

The [illegible]

[illegible]

[illegible]

1916

[illegible]

January 1st, 1916. [illegible]

my credit and has been very unpleasant in a great many ways. My financial condition is apparently about the same as a year ago, although there has been some increase in both my assets and liabilities. I have sold during the year my Hubbell, Slack & Company stock, my royalty interest at Muskogee, and other property.

The most gratifying development of the past year has been the success of the Texas Rolling Mill Company which after eight years of struggle has paid its first dividend and besides has put $100,000 in the surplus account. This enterprise for a long time seemed almost hopeless and I feared that I would lose my investment in it. It is assisting me at a time when I need the help badly. I am very hopeful for its future. In fact my ambition in life now is to make a great success of this business and of my Horseshoe Ranch and I mean to concentrate my energies and resources on them.

On my 30th birthday, January 26th, 1896, I made a forecast of what my situation would be on my 40th birthday; and on January 26th, 1906 I again made a forecast of my situation on my 50th birthday. On that date I was in New York with the other members of the firm of Steger & Company trying to arrange a settlement with our creditors and among ourselves for the payment of our losses. This situation was so absorbing and harassing and critical that I forgot all about my decennial inventory and forecast.

My last forecast was entirely too optimistic (as have been the most of them). However, on the whole "I should not worry." I was not Governor and I was not worth $750,000 (only about half of it due to my heavy losses), but I was healthy and vigorous and active and have influence both at home and in the State. My family were all living and in good health, and my children have developed satisfactorily and are a source of both pride and self study and has been very fortunate in a good home [illegible]. My married daughter is apparently happy, she [illegible] and other pleasures.

The most gratifying [illegible]

On my 70th birthday, January 26th, 1936, I had a forecast of what my situation would be on my 80th birthday, and on January 26th, 1946 I [illegible]. On that date I was in New York with the other members of the firm of [illegible] in Germany [illegible] and Germany.

My last forecast was [illegible]

pleasure to me. As to myself, I do not appear to have changed a great deal in thought, in appearance or in feeling. I see more clearly the folly of some things that I formerly desired very much. I do not now think that I shall ever humiliate myself by seeking office (even Governor). If I can make a pronounced success of both my mill and my ranch I shall be satisfied. I think that I can accomplish both of these things and find plenty of time for play.

For the next year I mean to continue to administer on my estate—to dispose of property and pay debts. I hope to dispose of the Natatorium, the Steger Milling Co., the Gas Co., and everything that is salable at a fair value, except mill and ranch. I believe that next year will be a good year and that I will make substantial progress towards the ends in view.

Forecast for My Sixtieth Year

I express the hope that nine years from now (my 60th birthday) my mill will be converted into steel mills and will pay large annual dividends; that my ranch will be developed into a paying property and will be out of debt. While I am not averse to the money, it is the success of these two institutions that I desire most.

For myself I desire health and vigour and capacity for enjoyment, and enough leisure for that purpose (and no more). I want public confidence and respect. I want to be in a position to do my part as a citizen, to help others along, and to be of service to my family, my friends, my city and my State.

I want my children healthy and strong, mentally and physically; and successful and respected.

All of these things seem now in reach, and I expect them during the next nine years.

Four Generations of Armstrongs
Rev. R. C. Armstrong, right, Judge Armstrong, seated, left, Allen J. Armstrong, standing, and George Allen Armstrong, Judge Armstrong's first grand-child, on his lap.

1917

January 1st, 1918. The past year has been an active one and on the whole a satisfactory and profitable one. Having bought in 1916 the stock of my associates in the Texas Rolling Mill Company, I consolidated it with the Osage Iron & Steel Company under the name of Geo. W. Armstrong & Co., Inc., with a capital of $650,000. The company has made a profit of more than $150,000, its plants and organization are excellent, and the prospects are good for another year of profitable business.

The Horseshoe Ranch has had an exceptionally good year. Stock did well, crops were fairly good, and the prices of everything have been and are high. I sold 3,300 acres in Johnson County at $20 per acre, and there is some prospect of selling 8,800 acres in Pontotoc County at $30. In the event I do not sell it I shall rent out the farm land and conduct it as a steer and hay ranch.

I have bought 18,170 acres of land in Adams County, Mississippi, on the Homochitto and Mississippi Rivers, at an average price of about $5.00 per acre, and have leased about 5,000 more. I transferred Allen and several of my best men from Oklahoma to Mississippi, and moved down about 4500 cattle and about 700 horses and mules, and the most of my farm equipment. I am planning to do my farming there, and hope to get in about 2,000 acres of corn, 700 or 800 acres of feed stuff,—oats, potatoes, cane, etc. I have started up a little saw mill, am clearing and ditching land, fixing up buildings, and otherwise developing the property.

I bought during the year, Sloanhurst and another tract south of Fort Worth aggregating about 500 acres; and bought for the Mill the Peter Lessor and Hoeflein

property of about 700 acres at an average price of about $100 per acre. I sold my $52,000 of Steger Milling Company stock at par, and used the proceeds largely to pay off old Denison Mill & Elevator Company indebtedness.

This is a brief summary of a rather strenuous year's work.

The prospects for 1918 are unusually good. It is my hope that during the year I will be able to be of some substantial service to my country in the production of food and of iron and steel. I hope too, to be of increased value to my family, my friends and my employees.

1918

January 1st, 1919. It is very difficult to make a correct appraisement of my assets this year because I can not yet estimate what my cattle loss has been in Mississippi, nor can I appraise the value of the Mississippi land. I have sustained quite a loss in the operation of my Sligo Ranch there and some loss at my Horseshoe Ranch, which has been due largely to cattle death loss in Mississippi, drought in Oklahoma, and poor markets. I sold the balance of my Oklahoma ranch.

The Mississippi venture has been a very great disappointment. Like the balance of them it starts out with a heavy loss. I shipped too many cattle down there and undertook to farm and develop on too large a scale. But I have great faith in its ultimate success. I undertook to do my part in the production of food for my country, and to save as many she-cattle as I could possibly care for. This I considered my "bit" towards winning the war. Besides, I thought that prices would justify the risk and the effort, and that the production would be greater than it has turned out to be.

The year has been one of extremely tight money, and at this time the situation is almost critical with me. I have obtained a sixty day extension of a part of my indebtedness when it will be necessary to make payment. The Fidelity Trust Company (J. S. Cullinan) has notified me that I must pay $40,000 due in February. These, together with my other obligations and the expense of operating my two ranches, make the financial problem a very serious one for me.

My financial statement of last year was rather optimistic. I shall, however, re-adopt this appraisement, deducting sales and adding purchases. I think that I am putting a conservative value on my Mississippi property, but its value is yet to be established. I am looking forward with pleasure to the development of this property and also to the development of the Mill. I want to dispose of my other property and responsibilities as rapidly as possible and devote my energies and resources to the development of these enterprises.

1919

January 1st, 1920. The past year has been a bad one. I have had all sorts of disappointments and losses, and am at least partially disillusioned. I have lost a few life long friends among those that I have done the most for. Perhaps I have expected too much of them. This is due in part to a change in character in both them and me. Some of them have grown miserly with increasing wealth. Weatherford's prosperity has made him proud; and —— is too conceited to realize that he would still be a blacksmith but for the opportunity I gave him. These two men and some others owe their present position directly to me and seem to resent it. I have been entirely too sentimental in business. I can see an element of sentiment that actuated me in the Denison Mill & Grain Co., the Beaumont Carriage & Implement Co., Steger & Co., and the Sligo Ranch.

I have sustained a loss of more than $300,000 on my Sligo Ranch. I lost a fantastic number of the high bred cattle that I shipped there, most of the calf crop of two years, and approximately $100,000 in the operation of the property. This loss is due in part to the fact that the country was not free of ticks as it was represented to be, in part to the range being overstocked, and in part to theft; but it may be charged up in a general way to mismanagement. I have spent much of the past six months down there trying to straighten things out, and have put the property upon a basis where it should be profitable. I have done considerable work in the way of drainage, including the drainage of the Homochitto River valley.

The prospects for the next year are good, and as usual I am optimistic although my present position is by no means a comfortable one. There has been very consider-

able increase in the value of my real estate, particularly my Fort Worth property. I have sold the Petronelia Gin property near Corpus Christi and paid up its debts amounting to about $15,000, sustaining a loss of about $6,000. I have also sold during the year the Natatorium property and my stock in the Fort Worth Gas Company; and have sold at auction a lot of the Horseshoe Ranch personal property, and will ship the balance of it to Mississippi. There is a good prospect of disposing of my Union Land Company property and other Fort Worth real estate that has heretofore been dead and to which I have not attached a great deal of value.

The most satisfactory development of the year has been the Oil Well Supply department of Geo. W. Armstrong & Co., Inc. We begun to branch out in the manufacture of oil well supplies about eighteen months ago, and started up the plant about January 1st, 1919, turning out about $5,000 of product at a loss, and continued to lose money during the first three months of operation. Since then we have been making money in increasing volume each month. Our business now is on the basis of a monthly out-turn of about $40,000 with the prospects of this business being practically doubled within the next few months. The land that I bought for the Mill has greatly increased in value and will continue to do so with the growth of the city. While the Mill has been handicapped for money and is still in that position, its prospects are exceedingly bright.

I expect to dispose of most of my Fort Worth property during the year. But it is my present purpose to keep Sloanhurst, my Mill stock and my Mississippi property (which is intrinsically worth more than $22 per acre), and to sell everything else that can be sold at a fair price, without reference to future prospects. There

is future enough in the property I propose to keep, to satisfy me. I am particularly optimistic about the Mill, which I believe will make all of the money that I will have any use for.

My ideals and aspirations have undergone some change, and I have grown less altruistic and more selfish. It is a mistake to try to make the road easy for your children. There is no use in working for money that harms them, or in working for others who do not recognize or appreciate your service. I mean to get my affairs in shape as early as I can without too much sacrifice, and take a long rest.

1920

January 1st, 1921. The past year began with great promise and ended in a financial panic. For the avowed purpose of deflating values and checking expansion, the Federal Reserve Board contracted credit, which has caused a general shutting down of manufacturing plants, a reduction in the value of all commodities, and unemployment of labor. The farmer has been especially hard hit. He can not now get the cost of production for any of his products. This general depression has hurt me in many ways. I have written during the year several articles protesting against this insane and suicidal policy on the part of our Government, which were published in The *Manufacturers Record* and in the daily press.

While I have failed to do much paying up during the year, my condition has substantially improved over the previous one. The Coal County land has been leased for oil at an annual rental of $7,000. I have sold my Texas Producing Company stock and the interest I held in land at Batson, at a profit. The Union Land Company property has at last come to life. We sold about $45,000 of property which has more than paid back our original investment. I have had set apart to me, my interest in the property which I value at $125,000 and which I think will increase in value very rapidly.

The Mill has had the best year in its history. While business is now slack, the prospects are that we will have another good year. John Foster succeeded Barney Smith as manager. I am hoping to be able to bond the plant for enough to provide ample operating capital.

While all of my obligations are more or less pressing, I will be able to take care of them in some way. I am expecting substantial earnings from the Mill during the

1921

January 1st, 1921. The past year began with great promise and ended in a financial panic. For the present, prospect is distinctly [illegible]. Business, [illegible], the Federal Reserve Board commenced [illegible], which has caused a general shutting down of manufacturing plants, a reduction in the value of all commodities, and unemployment of labor. The farmer has been specially hard hit. He will not get the cost of production for any of his products. The general depression has been felt in many ways. I have written during the year several articles protesting against this policy and useless spending on the part of our Government, which were published in The Manufacturers Record and in the daily press.

While I have failed to do much paying up during the year, my condition has substantially improved over the previous one. The Coal Creek land has been leased for oil at an annual rental of [illegible]. I have sold my Texas Exploring Company stock, and the amount I have is [illegible] of [illegible]. The Indian Land Company property has not been [illegible]. This still shows [illegible] of property which has [illegible] good deal [illegible] general [illegible]. I have [illegible] the [illegible] of the property which I value at [illegible] which I think will increase in value very rapidly.

The farm has had the best year in its history. While business is now slack, the prospects are that we will have another good year. [illegible] of [illegible]. I am hoping to be able to [illegible] the plant [illegible] enough to provide ample operating capital.

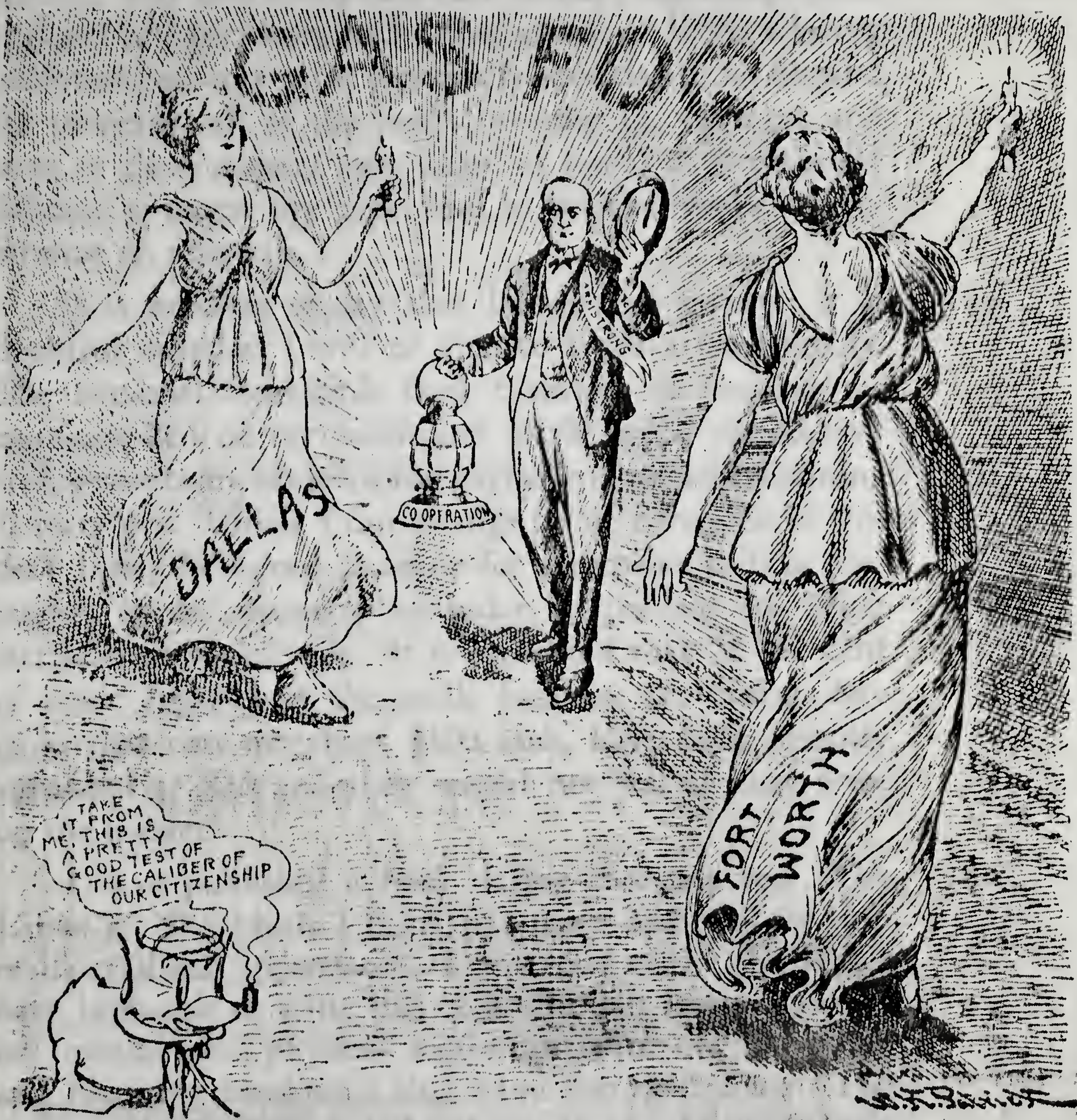
While all of the obligations [illegible] this year, I will be able to make part of them in some way. I am receiving additional earnings from the farm during the year, and to be able to sell enough property to get myself in comfortable shape. As soon as I can dispose of the Mississippi property and get my affairs in easy condition, I plan to take a trip around the world. My supreme desire is still to liquidate. I want to so organize the Mill and get it in such financial condition that I will be free to work or play as I may choose. Of course my assets could not be converted into cash under existing conditions at the prices I put on them, but I think they are worth these prices and that in time I will be able to realize an average of these amounts.

FORT WORTH STAR-TELEGRAM

FULL DAY ASSOCIATED PRESS REPORT BY LEASED WIRE

TWENTY PAGES. FORT WORTH, TEXAS, THURSDAY, JANUARY 15, 1920.

WORTH TRYING


GAS FOR
DALLAS
CO-OPERATION
ARMSTRONG
FORT WORTH
TAKE IT FROM ME, THIS IS A PRETTY GOOD TEST OF THE CALIBER OF OUR CITIZENSHIP

Judge Armstrong: "Permit me, ladies, to suggest that you will find your way out quicker with this light."

1921

January 1st, 1922. The Federal Reserve Banks and other banks have continued their policy of deflation during the whole of the year 1921, with the result that business has been stagnant, values have shrunk, there has been no trading, and everybody has lost money, especially those engaged in agriculture and manufacturing. With a heavy indebtedness,—my plant practically shut down, no demand for property, all of the banks pressing for payment and none of them making new loans,—I found it increasingly difficult to renew my paper and to get the money to pay interest on renewals.

It is needless to say that I have lost money. It is doubtful whether I will be able to avoid a receivership. The National Stockyards Bank threatens to foreclose its mortgage lien on my ranch and cattle unless satisfactory arrangements are made for the payment of its debt maturing January 6th. Unless I can arrange for an extension of this debt I may be forced to apply for a receiver to take possession of my property in order to prevent its being sacrificed at forced sale. It is estimated that 75 per cent of those engaged in the cattle business are broke. My cows that cost me about $100 each, have been recently appraised at $35 and they would not sell at that price on the market.

I have published a book during the past year, *The Crime of '20*, which I think has merit and will be generally read and appreciated. I am proud of the fact that I have been able to write this book and that I have retained my mental and physical vigour in spite of the trying and harassing conditions that have surrounded me. The writing of this book and the absorption in the work have helped me to spend rather pleasantly an otherwise inactive and distressful year.

1921

January 1st, 1921. The Federal Reserve Banks and [illegible]

Even now, with the situation as threatening and unpromising as it is, I am confident that somehow I will be able to handle it. I do not want to compromise my indebtedness. I want to pay 100 cents on the dollar and mean to do so if given the opportunity, notwithstanding the fact that the amount of my debts has been substantially doubled by the deflationists. It is not the fault of those that I owe, but of the financial system that rules them as well as me.

I am planning for 1922 to convert my Mill into a steel mill by the electric process; to install electric furnaces, a pipe mill and cotton tie mill, a gray iron and steel castings foundry, to make soft steel bars for the blacksmith and building trades, and to make angles, shapes, etc.

I wish to continue the development of my Sligo Ranch, to write a second volume of The *Crime of* '20, and probably to run for the United States Senate as an independent.

* * *

February 14th, 1922. I attach copies of letters to Messrs. Byron Flanary and A. B. Slack, which explain the present relationship to some of my friends and former associates. I also attach copy of letter to my creditors. The creditors meeting was held on January 9th at the Texas Hotel and was attended by practically all of the creditors of the Mill and myself. The expression of all present was favorable and complimentary. Messrs. Ellison Harding, W. E. Connell and G. H. Colvin, representing the three principal banks of the city and the three largest creditors, were appointed a committee to work out the details of the proposition.

My proposition was accepted by all of the Mill creditors and all of my creditors to whom it was addressed, except four. I have made satisfactory arrangements with two of these regarding the extension from time to time of their debts, and hope to make an arrangement with the other two. I hope to be able to pay the entire amount of this indebtedness during the present year by the sale of preferred stock in the Mill, but if not, that I will be able to pay it on or before maturity from dividends of the Mill and the sale of property.

January 4th, 1922

To my Creditors,

Gentlemen:

I have a note secured by mortgage on my cattle and a second lien on my ranch in Mississippi, which matures on January 6th and which the bank is unwilling to extend. It is therefore due you and my other creditors that I call a conference of my personal creditors and of the creditors of my company. The president of the bank will arrive in Fort Worth on January 8th and this conference will be held January 9th at the Texas Hotel, at 9 A.M.

In order that you may have all of the facts before you, I enclose a detailed personal financial statement and also a detailed statement of the Mill.

I desire to give you my note for the amount of your indebtedness bearing 8 per cent annually, payable in two equal installments, on or before two and three years from date, secured by the stock of my Steel Company. I want to make the same arrangement with the principal creditors of both the Mill and myself, and to further secure the indebtedness of all creditors equally by mortgage on real estate. If I can make this arrangement

I should be able to retire this indebtedness during the present year by the sale of my preferred stock and other property, but as we can not any of us make any very accurate forecasts, I desire to have sufficient time so that the earnings of the Mill will meet the payments if other prospects fail.

It is needless to say that I regret that it is necessary for me to ask this favor of you and my other creditors. I hope that it is needless to assure you that all of my property and energy and time shall be devoted to the payment of my debts.

Respectfully,
Geo. W. Armstrong

* * *

December 30th, 1921

Dear Byron:

You have given me, perhaps, more credit than I am entitled to, for being useful to you in getting yourself established. To some others I know that I have been directly the cause of their present prosperity. With one exception, all of them have treated me with like callousness and indifference; they have all forgotten the fundamental fact that I gave them their opportunity; and they have all managed to find some grievance to remember.

Whatever may be my infirmities of character or disposition, *ingratitude* is not one of them, and *disloyalty* to friends is not another. What I have done for others has not been done grudgingly and in a patronizing way, but freely and with the desire to be of service. There is this material difference between my present situation and theirs: I helped them when they could not secure me, and thereby took the risk; I am able to secure them abundantly for every dollar they might lend me.

Your brother (in-law),
George

January 6th, 1922

Dear Slack:

It is due both you and myself that I state to you exactly what I have said concerning you. The discussion with Messrs. Weatherford and Goree* was not a very pleasant one. One word brought on another with the result that I stated to them facts that I have never told to any one else, *but they are facts nevertheless.*

I told Weatherford and Goree of inviting you back into the firm of Hubbell, Slack & Company and of endorsing your note and obtaining the credit for you in Chicago to pay for your stock in the company. I stated further that at that time I personally loaned Weatherford, without security, the money to pay for his stock in the company. Mr. Goree confirmed the fact that the backing I gave you and Weatherford at that time enabled you to make your present fortune. There can be no dispute about that fact. As a matter of fact I remained in the firm for several years after realizing the risk involved and after I desired to get out, but I would not do so because it meant the dissolution of the firm and the destruction of the business that was the livelihood of both Weatherford and yourself.

I could not help feeling indignant at your offer of help on condition of bankruptcy. This was in marked contrast to the offer of Mr. John H. Kirby (for whom I have done nothing) to endorse my paper for $500,000. The one meant help of a constructive kind, the other meant humiliation and defeat—the destruction of the work of a life-time. I could not accept Mr. Kirby's generous offer, and I would not accept yours with the condition attached.

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*R. E. Goree, Slack's attorney.

I can not in fact accept a gift from you of $50,000. Mr. Goree may have intended this as a *loan* and not a gift—and if so I will gratefully accept it without the condition mentioned. If you and Weatherford feel that you are due me any thing on account of the losses of Steger & Co., I will accept any sum that you desire to pay in recognition of that fact. I voluntarily assumed this loss, knowing it to be a loss, and relieved you and Weatherford of it because I felt responsible for the investment.

Your success is of course due largely to the ability of yourself and Weatherford, but many able men have not gained the success to which their abilities entitled them, for the lack of the necessary backing by others who happened to be more fortunate. You were approaching middle age without having this backing when it was my privilege to extend it. Others might have done so, *but I did.*

If you wish to help me to the extent of $50,000 by the subscription of stock in the Mill or by a loan on the stock in accordance with my proposition to my creditors, I assure you that it will be a real help and will be appreciated. But if you thought I could or would accept your offer with the conditions attached, then you do not know me. Money means nothing to me except that it enables me to develop the things I am interested in. I have no desire for leisure or display, and I am economical in my habits. The matter of a livelihood does not worry me in the least. I am going to put this steel proposition through some way. You can make it reasonably easy for me without risk to yourself; but you can not give me charity now or at any time in the future.

Your friend,

GEO. W. ARMSTRONG

1922

January 1st, 1923. The past year has been one of continued deflation, stagnation and losses. In the early part of the year I succeeded in arranging for an extension of a substantial part of my indebtedness for two and three years at 8 per cent payable annually, upon real estate and Steel Company stock as security; and my cattle paper for one year, with Mr. Kirby as endorser upon a part of it. When my prospects for making payment failed, I saw that I could not pull through without the further support and indulgence of my creditors.

I called various meetings of the Creditors Committee (Messrs. Harding, Connell and Colvin) and of my Fort Worth creditors, at which I explained the situation to them quite frankly. My principal Fort Worth creditors and my best friends all advised that I take bankruptcy. Slowly and reluctantly I came to the conclusion that this was the only way out. Having once decided upon that course I became reconciled to it and proceeded to arrange my affairs accordingly.

January 26th, 1923. This statement is being concluded on this my 57th birthday. The Mill was sold under execution sale on January 2nd to Mr. Jno. H. Kirby, at a nominal sum above the liens against it. Some of my other property was also sold for the amount of the first mortgage liens. Undoubtedly all of it will be sold on this basis. Therefore, in scheduling my assets in my petition in bankruptcy I valued them at what they would bring at forced sale. I attach a copy of statement I published and mailed to my friends following bankruptcy. (*The Story of My Bankruptcy, Chap. XII*).

Now at fifty-seven years I am stripped of both property and debts. In vain I have sought to continue to labor for my creditors. Either they are afraid of the Federal Reserve Bank or they think the bottom has dropped out of everything. Although they held a second lien on my most valuable property and a first lien on my Mill stock, they would not protect it; and they decline to advance me any money on any basis. In spite of my effort to continue in bondage I am now free to do as I please. My freedom is too new and I have been too busy to do much planning for the future.

I mean to publish my new book, *Truth*, and to try to obtain a wide circulation for it. I may establish a quarterly or monthly magazine for that purpose. I mean also to take a more active interest in public affairs. When my business is properly organized and success assured, I may be a candidate for Governor or United States Senator.

I have been emancipated—born again. I am a new man. I now see quite clearly the serious mistakes of my life. I have never been a real business man. I know that I have the judgment, vision, initiative, executive ability, energy and courage to be a highly successful business man; but I am too sentimental, a trifle too confident, and my ambition and restlessness lead me to undertake to do too many things at once. I try to cover too much ground and to travel too fast. I have always undertaken to do more than my financial condition would warrant. I would have made a very large fortune in either the real estate, oil, cotton exporting, or manufacturing business; but in trying to do them all at once, and other things besides, I have been compelled to part with the best things in order to protect the "lame ducks."

If given the opportunity I shall develop the steel business, and may re-enter the oil business. I plan to devote not more than three years to business, during which time I hope to be able to rehabilitate my fortune and lay the foundation for the payment of my debts.

1923

January 1st, 1924. I was adjudged a bankrupt on my voluntary application on January 20th, 1923, and was discharged from my debts on April 18th, 1923. The plant of Geo. W. Armstrong & Co., Inc., was sold in June at foreclosure sale under the mortgage of Hogg Bros., to Mr. Jno. H. Kirby for $70,000 which was paid by Mr. Kirby's paying $10,000 in cash and giving his note for $60,000 payable one year after date, secured by mortgage on the plant. The Equity Investment Company (composed of A. B. Slack and Wm. Weatherford) acquired the first mortgage against the 1200 acres of land south of the city, and my Union Land Company property, and foreclosed these mortgages and bought the property at foreclosure sale. On the application of the National Stockyards Bank my Mississippi ranch and cattle were sold, and bought by me. The money for making these purchases was in part proceeds from the sale of my home and in part borrowed by me upon the endorsement of Mr. Kirby.

After my discharge in bankruptcy I proposed to the creditors that I desired to pay preferentially that if they would lend Mr. Kirby approximately 50 per cent of their debts for two years at 7 per cent interest, I would give them notes for like amount payable three years after date without interest but to be endorsed by Mr. Kirby. The most of them accepted this proposition, and about $120,000 was advanced to Mr. Kirby in accordance therewith, of which about $80,000 has been used for installing an electric furnace and other equipment in the Mill, and the balance for financing my other properties. I have thus acquired the bulk of my real property in Tarrant County and my Mississippi ranch and cattle.

The Texas Steel Company was organized with an authorized capital of 25,000 shares of common stock, no

par value, and 25,000 of preferred, of the par value of $100. Mr. Kirby conveyed the plant and assets formerly belonging to Geo. W. Armstrong & Co., Inc., to the Texas Steel Company for 8,000 shares of preferred and all of the common stock.

I sold my home on Elizabeth Boulevard during the year for a total consideration of $18,500, of which $11,000 was paid in cash, and the balance represented the assumption of the lien against it. I have drawn a salary since June as acting president of the Mill, of $500 per month.

The year on the whole has been a very busy one. My health has been good. I have had many perplexing problems to work out in connection with the re-purchase and financing of my properties. I have written and published during the year, the first and second volumes of *Truth;* and have written a well considered article for the Bok peace prize. I think all of these contributions have merit. It is my hope that the public will eventually be aroused to the importance of the money and banking questions, and that my work may contribute to that end.

My position towards my creditors is that I will pay those who assist me to get on my feet in proportion to the assistance rendered, and in preference to all others. I will postpone paying those who have declined to assist, until a convenient day. I will permit those who have had no regard for my interest and have sought to force payment regardless of the consequences to me, to collect (if they can) in the manner they have chosen.

I find that no one except Mr. Kirby is willing to extend the helping hand without adequate *quid pro quo.* He is the only man who has taken any sort of chance on me: the only one who has assisted without adequate compensation and security.

1924

January 1st, 1925. The past year failed, as usual, to fulfill its promises. General business conditions were fairly good during the early part of it, but there was a very notable recession which began in the early spring and continued until after the presidential election in November. The election of President Calvin Coolidge created an atmosphere of confidence, which signifies a prosperous year for the country generally during the year 1925.

The year 1924 has been one of constructive effort on my part. The bond issue for opening up the Homochitto River in Adams County, Mississippi, was put through, and accordingly $20,000 of bonds were issued and sold at par. We have made considerable progress in the actual work of opening up the river. I also began the work of pecan culture on rather a large scale, having grafted about 600 trees. This work will be continued on an improved plan under the supervision of Allen, who is again manager of the Sligo Ranch.

The Texas Steel Company has overcome most of its difficulties which were due largely to crane and mould troubles and crop-end losses. It has established the fact that we can successfully roll the round ingot direct without breaking down into billets; that we can make by the electric process the very highest grade of merchant bar steel for reinforcing and other purposes where soft steel is not required; and we have developed a superior electric steel sucker rod.

I wrote and published The *Iniquitous Dawes Scheme,* a criticism of the Dawes Plan, during the early part of the year 1924, which I hope may yet bear fruit. The adoption of this scheme by our Government should have

been one of the leading issues of the presidential campaign, but perhaps it is too complicated and involved, and thought to be too remote to the average voter, who has little understanding of the money question. Sooner or later the money question must and will be the dominant one in our country and in other countries The international bankers have vainly sought to re-establish the gold standard since 1920, and as a result they have brought bankruptcy upon the debtors of our country and the debtor nations of the world. They have not yet brought about a general adjustment to the gold standard and can not do so without the bankruptcy of nations or the cancellation of interallied debts.

I was again tempted to make the race for Governor as an independent in opposition to "Ma" Ferguson, but I was unwilling to do so as a Republican, and the Progressives were not well enough organized to justify it. From my personal standpoint it would have been a very great mistake. It is not my present purpose or desire to hold office. I shall only consider it in case it seems to be necessary in order to establish a State banking and currency system and thereby free the people from the domination of Wall Street.

1925

January 1st, 1926. While the past year generally was considered a prosperous one, it fell very far short of my expectations.

The canal work was delayed by an injunction suit brought against the Homochitto Drainage & Development District by Norman & Breaux Lumber Co., claiming the bond issue to be invalid—which is still pending. We expect to have the bonds validated by an act of the Legislature during the present month. I continued this work for a while after the issuance of the injunction, and then got the Vicksburg bank to allow the use of a small part of the money for continuing the work, which is now in progress. I plan to put my Homochitto valley land in cultivation as it is reclaimed from overflow and the timber is removed, and to cut this property up into small tracts and sell it.

I sought to obtain an extension of the $25,000 due the Equity Investment Co., (now Weatherford and Goree) on October 1st, proposing to pay the interest, which they declined. I then sought to get them to release a part of the property to enable me to borrow the money against it to make the payment, which they refused. I afterwards discovered that under the release clause I had the right to a release and arranged with Hicks and Helmerich for a loan of $30,000 on a part of the property. I also arranged with the State National Bank of Denison for a loan of $25,000 on the very date the note matured.

I advised Weatherford of that fact over the 'phone and asked for a few days time to consummate the loan, which he agreed to give on payment of the interest. Accordingly I sent him check for the interest which he refused to accept and declared the whole debt due,

and advertised the property for sale under the deed of trust. I wrote him and Goree several letters offering to pay the $25,000 and interest, which Goree finally answered with an impossible proposition. I then enjoined the sale.

The National Stockyards Bank case was tried in January and at the request of the bank re-tried in July. The Court has had it under advisement since. We feel confident of winning it.

I have another very important case which the State Railroad Commission is hung up on, which was tried in March and argued in July, and still no decision. The success of the Mill depends largely on this decision, which I feel confident will be favorable.

1926

Sixty Years of Age

January 1st, 1927. My prospects of last year all failed to materialize. I did not sell the Texas Steel Company; did not sell the property of the Armstrong Investment Company, or my timber; did not complete the work of opening up the Homochitto River; and there has been no conclusion of either of the lawsuits mentioned in my last annual statement. The year on the whole has been negative in its accomplishments, with the result that my situation is much more acute and uncertain; indeed, it will be impossible to hold matters *in statu quo* for another year. There must be very material liquidation of my affairs during the coming year. The next twelve months will undoubtedly tell the story of whether I succeed or fail in rehabilitating my fortune.

The cotton crop was fairly good, being about 75 per cent of last year, and the corn crop being equal to last year and probably better on the Shieldsboro place; but the rents will not equal the taxes. My cattle have become wild. I have marketed only about 200 head during the year. We have begun and partially completed the drainage ditch through my land. The canal connecting the Homochitto River with Mills Bayou is practically completed, and from Mills Bayou through Gaillairds Lake except about a mile and a quarter which is from 10 to 15 feet deep. It will not take much time or dynamite to deepen this connection 25 or 30 feet.

Texas Steel Company. I made an agreement with Mr. Akin, president of the Laclede Steel Company, for the sale of the Mill (reserving the liquid assets, Oil Well

Supply department and the land east of the M.K.& T. Railroad), for $500,000, subject to the approval of his Board; but after I left St. Louis he advised me he had concluded not to buy. I then negotiated a lease contract with an option to buy the Mill, subject to the reservations mentioned, with the Sheffield Steel, at $400,000 if the option should be exercised within six months, and at $450,000 if exercised within twelve months. A tentative contract was drawn up by Mr. Allen, the president of the company, but after examination of the property he made a cash offer of $250,000 which I refused. While I was trying to trade one company against the other I think they came to the conclusion that the Mill was distress property and combined against me to buy it cheaply, if at all.

Shortly after the conclusion of these negotiations Mr. Kirby had an examination of the property made by a Mr. Coyle who valued it at about $500,000. On the completion of his investigation Mr. Kirby asked for my resignation, assigning as a reason my breakdown, referred to later, and put Messrs. Coyle and Remsen in charge of it. I think as a matter of fact my resignation was called for because it had been reported to him that the property was not being properly managed and that I was a detriment to it. The new management caused an audit to be made of the books and the auditors made a report reflecting upon my integrity in my dealings with the company, which was no doubt inspired by the gentlemen who were seeking jobs. I very promptly and vigorously demanded a re-audit and an analysis of my account which was made and which showed conclusively that the moneys of the company that had been used for purposes other than the business had been used to pay Mr. Kirby's notes or debts that he otherwise would have had

to pay for the preservation of the security held by him, and that so far as my personal account was concerned that I had a credit balance with the company instead of a debit. I should add that my estate is guarantying the debts of the company.

There was not only a change of management but a change of policy in that an attempt was made to speed up production with a raw crew which has required about $100,000 of additional operating capital, but which did not effect any material reduction in the cost of production. There was also an unnecessary reduction in the capitalization of the company which could only have the effect of impairing its standing with the bondholders and others. I was not consulted about any of the changes mentioned, and my protests were unavailing, except that Mr. Coyle was let out after a few months and Mr. J. K. Remsen installed as manager.

While it was a mistake, I think the change mentioned has been to my advantage. I have not allowed myself to get sensitive about the manner of making it, other than to resent the auditor's report, which, however, cleared matters up in the end to Mr. Kirby's entire satisfaction. He had turned the management of my estate over to me completely without demanding any sort of accounting, and in my effort to protect him from too much detail I have probably done myself an injustice in not keeping him sufficiently informed.

Mr. Kirby wrote me recently and asked me to visit him, which I did. He informed me confidentially that he had collapsed in his chair and that the doctors told him that he must unload his responsibilities; that he had become involved on account of his Pacific Coast investment and the building of his new home, and asked for [illegible] for the preservation of the company [illegible] and that so far as my personal account was concerned that I had a credit balance with the company instead of a debit. I should add that my estate is guaranteeing the debts of the company.

"Therefore [illegible] only a change of management but a change of policy [illegible] to [illegible] up [illegible] with a [illegible] which has required [illegible] the aid of additional [illegible] and not affect any material [illegible] to the [illegible]. There was [illegible] the [illegible] tion of the company [illegible] have the effect of [illegible] the [illegible] with the bondholders [illegible]. I [illegible] about any of the changes mentioned and my [illegible] was [illegible] Mr. [illegible] installed as manager."

[illegible] I think the [illegible] to [illegible] about the [illegible] to [illegible] matters [illegible] Mr. [illegible]. He had [illegible] the management of [illegible] company [illegible] and [illegible] have [illegible] had [illegible].

Mr. [illegible] and [illegible] I did. [illegible] had [illegible] and that the [illegible] for [illegible] the [illegible] and the [illegible] of the [illegible].

my consent to dispose of the Mill, which he thinks he can sell. I, of course, readily consented.

In view of Mr. Kirby's condition—physical, mental and financial—I must relieve him regardless of results to myself. He is due the Fort Worth banks payments on January 7th which I am seeking to extend. I have interest and taxes to pay in Mississippi which amount to about $14,000. In addition to this I am due a payment of $1,500 to the Stockyards National Bank, $1,250 to the Government on account of the Coal County land, $4,500 on account of real estate obligations, and will soon have to make payment to the Central National on account of the cattle. My bank balance is at the low water mark and my resources for getting in money are quite limited. In fact, if I do not make a sale soon, I expect to apply to one of the oil companies for a position, provided it is satisfactory to Mr. Kirby.

Attack of Amnesia. This annual statement is intended to record truthfully and without reservation the important episodes of the year. It would not accomplish its purpose if it failed to do so fully and faithfully, however intimate and compromising the facts may be. The outstanding event in my life of the past year was an attack of mental aberration which occurred on April 19th, immediately following Allen's surrendering the management of the Sligo Ranch property after a period of eighteen months. I visited Natchez for the purpose of going over affairs with him, and also for the purpose of meeting some prospective purchasers of my timber, Barr-Holiday & Company, my wife and daughter both being in Mississippi at the time.

I drove into Natchez early in the morning (about 7:30) to meet the timber people. I recall starting to a table in the lobby of the hotel with my maps to show them the lay of the land, when my mind became a blank.

We got in my car, the driver having had previous instructions, and drove to my Shieldsboro plantation; but I do not recall any circumstance of the trip. When we reached Shieldsboro I recall telling my colored foreman Jesse Byrd, that there was "something wrong with my old thinker" and instructing him to show the timber. I got on a horse and rode with them through the timber, but I do not recall that fact or anything that was said or done on the trip. They said that I talked very little but kept remarking that there was something wrong with my mind and kept asking who they were and what they were there for. When we got back to the Shieldsboro house I recall getting in the car and taking Mr. Barr with me to lunch at Woodstock. From that time on my mind began to clear up. While there were intervals of blankness there were other intervals that I distinctly remember. My mind was in total eclipse for perhaps three hours, and partial eclipse for about five additional hours.

On the next morning when I woke up I thought it was but a bad dream and that none of the occurrences of the previous day were real, until I had them confirmed by others. I left the following day for Fort Worth.

It so happened that the American Medical Association was then in session at Dallas. I made an appointment through Dr. J. J. Terrill of Dallas, for a conference with him and Dr. Theodore Diller of Pittsburgh, Pennsylvania, one of the leading brain specialists of the country, who was attending the Medical Convention. These gentlemen made a most thorough examination, and after doing so advised me that there was nothing wrong except brain fag, due to too much use of my old thinker, with too little rest. They strongly urged that I take a complete rest of eighteen months or two years, advising if possible a foreign trip. Upon my explaining the condition of my

Wright of my test, but these horses had previous instructions to deliver to my Washington plantation. But I do not recall any circumstances of the trip. When we reached Washington I found [illegible] told him that there was "something wrong with me and horses" and [illegible] him to drive the horses. I got on a horse and rode with them through the country, but I do not recall [illegible] the trip. Then [illegible] that there was something wrong with my mind and [illegible] they were and what [illegible] When we got back [illegible] Washington [illegible] I found [illegible] at Washington. From that time on my mind began to clear [illegible] While there [illegible] of Memphis [illegible] than I [illegible] names.

On the next morning, when I woke up, I thought it [illegible] the occurrences of the previous day [illegible] until I had been informed by [illegible] for the late Wm. Watts.

It so happened that [illegible] Medical Association [illegible] at Dallas. [illegible] Dr. J. J. Terrell [illegible] and Dr. Thomas [illegible] of Tennessee, one of the leading [illegible] of the [illegible] Committee. These gentlemen made a very thorough examination, and after doing so advised me that there was nothing wrong except [illegible] They strongly urged that I take a complete rest of eighteen months or two years, [illegible] Upon my [illegible] affairs they agreed that it would probably be better for me to keep in touch with them, but urged me at the risk of very serious consequences to take as much rest as possible and avoid everything of a harassing or distressing character, and to do the things I liked to do.

In consequence of this advice and of my retirement from the Texas Steel Company I came to Natchez and have looked after things down here, with the result that I have done some good work in reducing the expenses, working on the Armstrong Canal, and handling my cattle; and I hope in getting the property on a paying basis. I have devoted my mornings to such business as needed attention, and as much time as possible in the afternoons to resting, reading, hunting, or horseback riding, and have gotten myself in good physical and mental condition.

I have had no sort of relapse except on the occasion following the recent visit to Mr. Kirby. His letter had alarmed me and I could not but dread and speculate about the interview, and could not help feeling very deeply sympathetic with him after the conference. I went from Houston to Fort Worth to have my depositions taken in the Weatherford suit, and also to cross-examine Messrs. Franklin and R. E. Goree, witnesses for the other side. About 9 o'clock on the morning that these depositions were to be taken, Mr. Logue, Mr. Kirby's personal attorney, called to see me to tell me his relationship to Mr. Kirby and to my affairs, and to assure me that while Mr. Kirby was very much worried and that it was imperative that he get relief, that it was not his purpose to force a liquidation of my properties at a sacrifice. While Mr. Logue was there, or immediately afterward, I noticed that I could not concentrate my mind and that it became very confused, but I thought it would be temporary and went on the witness stand and testified, I think fairly well, to

incidents that had occurred several months or years before. When it came to my cross-examining the other witnesses I could not recall immediate incidents clearly, and my mind failed to function otherwise in a normal way. It was like a car operating on three cylinders. I told Bob Goree my situation and asked him to stop the proceedings if my mind failed me entirely. During the noon hour I lay down but did not sleep. When I got up I thought I had dreamed, and then doubted whether the dream was real or whether I had really been asleep. As a matter of fact I knew that I had not been asleep and had not dreamed, and knew the things I thought I had dreamed were not real, but it was rather difficult for me to come to this conclusion.

I reported these facts to the doctors mentioned who advise me that I have done remarkably well and that the mildness of my recent attack, even with the hallucination which I did not have with the other, is a favorable indication, but they insist that I should not engage in the trial of the case and should adhere to the program they outlined for me, as religiously as possible. For this reason if for no other, I will no doubt compromise the Weatherford suit.

It is my own opinion that the cause of my first attack was the realization of the financial situation of the Sligo property, and the embarassment caused by my wife's presence and her evident desire to bring about a reconciliation, and not by the interview with the timber people. I found the Sligo Ranch owing several thousand dollars of accounts and notes which surprised me and which I was unable to pay. My wife wanted to take Allen's position of looking after matters in Mississippi, which was impossible. I think my second attack was due more to the interview with Mr. Kirby than to the taking of

the depositions, because I had no fear or dread of the evidence or of its taking. As a matter of fact I realized that I had the best of the evidence, and I had every confidence in my ability to handle myself as a witness and as a cross-examiner.

Perhaps I should add also that my relations with my wife have grown more strained until now it appears to me that a divorce is best for both of us. My domestic situation has not been of my choosing, but has slowly developed itself during all of the years of our married life. We are both to blame for it to some extent, and neither of us wholly so. We did not hit it off right from the beginning. She was an individualist with a quick temper, and I one with a stubborn disposition. Our disagreements in the early years of our married life would no doubt have brought about a separation except for our poverty and our children.

1927

January 1st, 1928. I have managed to hold things together for another year. I feel that I am now on safe ground and I am more optimistic about the future than I have been at any time during the past two years. The most important event of the year has been my complete mental recovery. The two attacks that I had in 1926 were no doubt due partially to abscessed teeth. Since their removal I have had thorough confidence in the fact that my mind is fully restored and I have taxed it without giving the consequences any thought.

I remained at Woodstock practically the entire time until October 1st when I resumed the management of the Mill. The time was spent both pleasantly and profitably. I have had a complete rest, and my health and my mind and ambition and courage have been fully restored. I have worked on the job of opening up the Homochitto River, have done a great deal of pecan work, have reduced the expenses of operating the property to the minimum and have increased its revenues to the maximum until further investment is made in improvements.

I learned by chance that owing to heavy operating losses of the Texas Steel Company the decision had been made *to close down the plant and junk it.* Realizing that this meant the destruction of the property and its being sold out at a nominal value, I proposed to Mr. Kirby to take the management of it without salary and to install the continuous heating furnace without calling on him for the money if he would allow me a period of six months operation, to which he assented although strongly of the opinion that the company would continue to lose heavily. He was so certain that bankruptcy would be the final outcome of it that he not only resigned as president but

had his name taken off the stationery and refused to assume any sort of responsibility for the management.

I found the company had lost, during the sixteen months of the Remsen management, $87,000; at the time I assumed the management its losses were approximately $5,000 monthly and it was wholly without credit. I immediately reduced salaries about $1,000 monthly, the general expense account more than $1,000, and changed to night operation of the plant which meant a reduction in the power bill of more than $1,000. The installation of the continuous heating furnace has been completed and the moving of the mills and other construction work will probably be finished during the present month, which will mean a material reduction in our cost of manufacture.

If the program adopted by me had been adopted fifteen months earlier, in accordance with my earnest advice to the late management, the company should have made a profit instead of sustaining a loss. This change of management cost me at least $150,000, imposed an added and unnecessary burden on Mr. Kirby, and delayed the liquidation of my estate.

It was the fixed policy of the late management to ignore every suggestion that I made, and finding this to be true I eventually ceased to advise or to have any sort of voice in the management of the property. The decision to shut down the plant had been made without consultation with me, and I only learned of it from a chance reference to it in a letter from Mr. Remsen.

After resuming the management of the Mill I filed a new suit with the Railroad Commission which I tried in December 1927, and which resulted in a decision allowing us credit upon the shipment of finished product for freight paid on raw material. While this rate will not go into effect until January 26th and consequently we had the same [illegible] of the industry and refused to assume any sort of responsibility for the management.

I think the company had lost, during the seven months of the Stevens management, $42,000; at the same time I assumed the management it was losing some approximately $8,000 monthly and it was steadily without credit. I immediately reduced salaries about $1,000 monthly, also general expense account more than $5,000 and entered in higher operation of the plant which meant a reduction in the general cost of each item of goods. The manufacture of the continuous heating element has since completed and the handling of the sales and other departments went very gradually as finished during the present month, which will mean a material reduction in the cost of the item.

If the company adopted my plan and had taken a strong Akron attitude toward creditors with any success in the new management, the company should have made a profit instead of incurring a loss. The change of management cost me at least $15,000, [illegible] salary and unnecessary hardship for the family, and delayed the foundation of my plan.

At least the board failed as the new management to adopt every suggestion that I made, and finding this to be true, I eventually ceased to advise as he could not [illegible] in the management of the company. The accounts to show that the plant had been run without consultation with me, and I only learned of it from the reference to it in a letter from Mr. Stevens.

After resigning the management of the Mill I had a long talk with the Federal Commission which I filed in November, 1917, and some meetings in a discussion with regard to the adjustment of finished products length and on raw material. Under this order [illegible] go into effect until January 20th and consequently we have not yet realized any advantage from it, I think it, together with the reduction we will have in our cost of manufacture, will enable us to compete throughout Texas and to more than double our production of tonnage. I have appealed from this decision to the District Court of Travis County, partially for the purpose of preventing the Railroads from appealing to the Interstate Commerce Commission, but also in the hope that I may get a general reduction in our rates, with special rates to the coast cities.

I have fully convinced myself, and I think partially convinced Mr. Kirby, that I can make a success of the company and thereby establish a value for it which can soon be capitalized either by a sale of the property or an interest in it, or bonds against it. I do not want to again surrender control of the property if I can possibly avoid it.

My suit against Weatherford, Goree, et al., involving the Armstrong Investment Company land, was tried in December and resulted in a judgment for the defendants for the full amount of their claim, from which I have appealed on a cost bond to the Court of Civil Appeals. I made a very thorough investigation of the law involved in this case and argued the motion for a new trial. The Court took the case under advisement, indicating that he would reverse himself, and afterward through my brother R.C., suggested that I offer a compromise, which I did; but for some reason which I do not understand he overruled the motion for a new trial.

Believing that Mr. Kirby desired also the management and control of the Armstrong Investment Company and knowing that he had but little confidence in the success of the Texas Steel Company and that he under-valued it, I wrote him suggesting that he take over the Armstrong Investment Company land and proposed to sell him the have that the matter [illegible] by McIntosh from it. I think it [illegible] both the [illegible] and [illegible] there to [illegible] that of [illegible] [illegible] I [illegible] suggested that this [illegible] to the District Court of [illegible] County [illegible] for the purpose of [illegible] the [illegible] to the [illegible] Investment Company [illegible] Commission, but [illegible] the [illegible] as a general [illegible]

I have [illegible] and I think [illegible] that I [illegible] of the company and [illegible] to which the [illegible] of the property of an [illegible] I do not [illegible] of the [illegible]

Mr. [illegible] Investment Company [illegible] that [illegible] I have [illegible] of Civil [illegible] I took a [illegible] to this [illegible] and [illegible] in a [illegible] The Court [illegible] through my [illegible] K.C., suggested that I [illegible] which I did not [illegible] the [illegible]

Admitting that Mr. [illegible] had the management and control of the [illegible] Investment Company and knowing that he had no [illegible] in the [illegible] of the [illegible] Company and that he [illegible] it, I [illegible] that he [illegible] the [illegible] Investment Company [illegible] to [illegible] the entire property for $500,000 but requested that notwithstanding the sale that the appeal of the case be prosecuted. He and Mr. Link looked over the property and after doing so agreed to take it for the $500,000—giving me credit for the excess over and above the debts against it. He explained to me that he was in desperate need of funds on account of the heavy burden he was carrying as a result of his losses on the Pacific Coast and his endorsements for me and others, and assured me that if I would dismiss the appeal so that the property could be sold out that he could dispose of it in such way as to give him relief. I therefore cheerfully gave him full discretionary authority to settle the suit.

In addition to the trial of the Rate Case and of the Weatherford suit, I have also tried during the year the suit brought by the National Stockyards Bank against Mr. Kirby in the District Court of Fort Worth, and won it; also the Norman & Breaux suit involving the Armstrong Canal and Homochitto Drainage District, which I again lost in the lower court and which is now again on appeal to the Supreme Court. The plaintiffs have also appealed the National Stockyards Bank case to the Court of Civil Appeals. The bank reversed and rendered the judgment of the Chancery Court of Mississippi. In all of the cases mentioned I have been the chief witness and have been on the stand in each case approximately two days without mental lapse or fatigue.

My wife and I have not seen each other for more than a year and we have been practically separated for about ten years. My feeling towards her is one of friendship and sympathy, but a meeting with her would be an unnecessary embarassment to us both. Since there is no possibility of a change in this situation I think it is decidedly best for both of us that we be divorced.

of the property in which it has requested that [illegible] accepting the sale that the appeal of our case be [illegible]. The next day Mr. Lord looked over the property and after being so agreed to take it for the $50,000—giving no credit for the excess over and above the lien against it. He explained to me that he was in desperate need of funds on account of the heavy burden he was carrying as a result of his losses on the Pacific Coast and his commitments for the old Church and [illegible] that if I would dismiss the appeal so that the property could be sold and that he would dispose of it in some manner as soon [illegible]. I therefore closed the sale here [illegible] authority to settle the sum.

In addition to the sale of the [illegible] lots in the Westland area, I have also been arranging the sale of lots [illegible] by the [illegible] Company. These consist of 500 lots in the [illegible] and [illegible], and also on the [illegible] property and including the [illegible] Land and [illegible] Company, [illegible] which I have had in the [illegible] and which is now again on appeal to the Supreme Court. The plaintiffs have [illegible] appealed the [illegible] Land of the [illegible] Land Agency. The land [illegible] and [illegible] the judgment in the Supreme Court of [illegible]. In all of the cases [illegible] I have [illegible] and [illegible] to the [illegible] this [illegible] the data [illegible] as in those.

My wife and I have not been well, since the early spring and we have [illegible] for them [illegible]. My [illegible] and [illegible] for a [illegible] with [illegible] would be an [illegible] to us both. [illegible] there is no possibility of a change of this [illegible] I think it is [illegible] that we be [illegible].

I believe that I will have my affairs in such shape by the first of April that I can enter the race for the United States Senate. If so, I desire to make this race for the purpose principally of giving direction to the Democratic party in Texas and thereby having some influence upon the National Democratic party. The party is and has been, since the Civil War, allied with Tammany and the eastern Democracy whose principles and ideals are wholly different from the principles and ideals of southern Democracy. There is no mutuality of interest or of aspiration between the Democrats of the East and South. The Democrats of the East represent consumers who stand for a high dollar and cheap prices, while the Democrats of the South represent producers who stand for high wages with high prices. The irreconcilable conflict between these two forces manifested itself in the last National Democratic Convention held in New York City, and this conflict will continue until the party is reorganized, disorganized or destroyed. The logical division of the parties now, as in the beginning, is on the money question, and as I have given this subject a great deal of thought I feel it is my duty before I am too old, to make at least one more fight for the principles of democracy as I interpret them.

If I enter this race my campaign will be founded upon three cardinal principles: (1) The amendment of the Federal Reserve Banking Act, eliminating the Federal Reserve Board and Advisory Council, and providing for exclusive District Management of the Federal Reserve Banks, and also providing for a more liberal power in the extension of credit. (2) A protective tariff that will give both industry and agriculture the advantage of the domestic market. (3) A political divorce from the Democracy of the East, and a union with the Progressive Republicans of the West.

Perhaps also I will state my reason [illegible] for the [illegible] of [illegible] that I [illegible] the [illegible] [illegible] [illegible] for the [illegible] [illegible] of [illegible] on the [illegible] party in Texas and [illegible] the National Democratic party. The party [illegible] has been, since the Civil War, allied with Tammany and the eastern Democracy whose principles and ideals are vastly different from the principles and ideals of Southern Democracy. There is no community of interest, or of sympathy, between the Democracy of the East and South. The Democrats of the East represent [illegible] who want a high tariff and class [illegible], while the Democrats of the South represent [illegible] who want no privileges [illegible]. The irreconcilable conflict between these two forces manifested itself in the last National Democratic Convention held in New York [illegible], and the [illegible] the party [illegible]. The [illegible] of the [illegible], [illegible] in the beginning, is the [illegible] question, and as I have given this subject a great deal of thought I feel it [illegible] the principles [illegible] as I [illegible] them.

If I might [illegible] my [illegible] be [illegible] upon [illegible]: (1) [illegible] the Federal Reserve Board and Advisory Council, and [illegible] the National [illegible] of the [illegible], and [illegible] (2) A [illegible] that will give [illegible] of the [illegible]. (3) A political divorce from the Democracy of the East, and a union with the Progressive Republicans of the West.

If I can win upon this platform it should mean that within four years this union of the West and the South will be brought about, and if I am only able to be a factor in accomplishing the ends in view I shall be satisfied. If I fail, I will have lost a few months—at a time it is true, when my affairs may need me—but I will have the satisfaction of having made the fight. I can then spend my remaining years in developing my properties and in such travel as my finances will permit, with the feeling that I have not taken the "talent" that was bestowed upon me and buried it, but have made the best possible use of it within my power.

January 1st, 1929. I wholly failed to realize the plans or aspirations that I contemplated at the beginning of last year, but I think that I have laid the foundation for success and that I will soon be able to solve my financial problems. My health has been excellent, the year has been an exceedingly busy one, and in many respects a trying one.

My greatest disappointment has been the Mill. We materially reduced our cost of production and made a very satisfactory profit for the first three or four months of the year, then the motor on the 10 inch mill burned out and shortly thereafter the motor on the 18 inch mill. For the next two or three months one or the other of the motors burned out every few days, with the result that our cost of operation advanced, we were not able to supply orders promptly or to make definite commitments, and we begun losing money which continued during the balance of the year.

After the installation of expensive improvements we were still unable to increase our production. There was friction between our head roller and the mill foreman, the latter claiming that our many breakdowns and delays were due to design and not to accident and were made for the purpose of either closing down the plant or compelling us to unionize it. While I suspect that this may be true I am not fully convinced of it.

Whatever the cause may be, whether inefficiency, accident, or design, it has come very near working our destruction. Our increased investment and losses on account of it have amounted to almost $100,000 at a time when we were not in financial condition to either invest or lose that amount of money. It has made it exceedingly

difficult to meet our payrolls and keep the plant going; indeed, I doubt if we could have done so if I had not made a sale of the Katy Lake property, from which we realized about $30,000 after paying prior liens, taxes, commission, etc. We now have a modern plant, a better market for our product, and there is every reason to expect during the coming year a profitable operation.

Much of my time during the past year has been devoted to the preparation and trial of lawsuits. I tried my Rate Case before the District Court of Travis County with the result that the Court found the facts in my favor but held that he was without power to establish rates. I therefore intervened in the suit brought by the railroads to have the rates adopted by the Interstate Commerce Commission in Docket No. 13535 put into effect in Texas. Upon the trial of this intervention before the Railroad Commission the facts were again substantially found in my favor but the Commission holding that it was without power to grant relief. I have again appealed the case to the District Court where it is now pending. The railroads have put it upon the jury docket and it should be tried within the next sixty days. I am hopeful that I may get a settlement of this case as well as of the penalty suits, which will not only give the company some badly needed money but will also establish rates that will enable it to expand its business and to develop into a real steel plant.

I brought suit during the year against the Sheffield Steel Corporation and Laclede Steel Company to restrain their cut-throat competition, and for the penalties provided for in the Clayton Anti-Trust Act, alleging that these companies are selling to customers in Texas at less than they sell elsewhere, for the purpose of creating a monopoly. The penalties sued for, viz., three times the

actual damages, are for $300,000, on account of the reduced price at which we have been compelled to sell rail steel bars; and $1,500,000, being three times the damages for the decreased value of the plant. My application for temporary injunction and receiver is set down for January 18th. This case came up on my application for a preliminary injunction on December 3rd, when the Court sustained the plea to the jurisdiction of the Laclede Steel Company, and the motion to quash the service of the Sheffield Steel. I have filed an amended petition which I think cures these defects. There is some probability also of a compromise of this case. The effect of these suits has been to advance the price of rail steel about $7.00 a ton during the last thirty days, and, I hope, to permanently eliminate the price cutting that has heretofore prevailed.

We finally won the Norman & Breaux case in the Supreme Court of the United States, with the result that in the last few days these gentlemen agreed to pay their taxes with all penalties, and we have mutually agreed that all pending suits be dismissed at their cost. I have personally tried, as my own counsel, several cases during the year, and have several pending. It is my purpose to be ready for trial of these cases when possible, and to try to clean up the whole batch of them during the year.

I considered entering the race for the Senate but soon saw that I would have no time for it, even if conditions had been favorable. I have reached an age, and my position—physical, mental, financial, and in a domestic way—is such that I should forever abandon any thought of seeking office. I can, I hope, find other ways to be useful and to exert some influence in the re-organization of the Democratic Party and in furtherance of what I regard as sound financial, economic and political principles.

I am chairman of a committee to represent the manufacturers of structural steel, reinforcing concrete bars, etc., before Congress, in an effort to secure an increase in the tariff; and am due to appear before the House Ways and Means Committee on January 14th.

I appeared before the Flood Control Committee last year in an effort to obtain payment for the lands of the property owners on the east bank of the Mississippi River whose property had been injured by the building of levees on the opposite bank, and succeeded in getting through the House of Representatives a bill providing for such payment, which would have been agreed to by the Senate except for President Coolidge's determined stand against it. He announced that he would veto the bill unless this amendment to it was stricken out, with the result that the House receded from its position and accepted the Senate Bill which provided only for a survey of the lands. This survey should be made during the coming year and when it is, it is my purpose to again appear before Congress and seek compensation for these lands which have been unjustly devoted to public use without compensation.

Mr. Kirby advises me that he is in acute distress financially, and I am of course exceedingly anxious to give him all the relief possible. I am not, therefore, in position to make a good settlement of my damage suits with the railroads or with the steel companies, but I am resolved that I will not settle either except upon a basis that will afford material relief to Mr. Kirby and to my situation.

I enter the New Year in splendid health and with several unsolved problems of very great moment to me that should be settled during the year, viz., the outcome of the litigation mentioned, the sale or operation of the steel plant, the bridging over of my immediate financial necessities, and the divorce from my wife.

1929

February 7th, 1930. I have thought for the past several years that every year was a little more strenuous than the preceding one and that the end of each year would show a marked improvement in my financial situation. Undoubtedly I have done more work during the year 1929 than any preceding year, and undoubtedly too, I have brought the rehabilitation of my fortune nearer a successful conclusion than at any preceding time; but I am still not out of the woods and everything is yet in the prospect stage. While I have made very substantial progress, the actual liquidation and the cash results are negligible.

LAWSUITS. I won the Rate Case at Austin, obtaining a decree sustaining my position in practically every particular. The Court found the rates of 1915 to be just and reasonable, and enjoined the railroads from applying the existing rates and the transit privilege. The railroads and the Railroad Commission have appealed from this decision. Since the decision was based upon an issue of fact, which the Court of Appeals rarely disturbs, I feel confident it will be affirmed. The issues involved in the penalty suits are legal ones and are wholly different from the issues in the Rate Case. Both of these cases should be finally disposed of during the present year. In the event the decision is reversed in the Denver case it is my purpose to attempt to consolidate the others and to try them together.

Two other cases of very great importance are those of the Texas Steel Company vs. the Sheffield and Laclede Steel Companies: one case on the equity side of the docket for injunction, and the other on the law side of the docket for statutory damages under the Clayton

1920

February 26, 1920. I have thought for the past several years, practically every year since 1915, with conviction that the preceding one and that the end of each year would show a marked improvement in my financial situation. Undoubtedly I have done more work during the year 1919 than any preceding year, and undoubtedly, too, I have brought the administration of my business nearer a successful conclusion, than at any preceding time. But I am still not out of the woods and [illegible] the expected stage. While I have made very substantial progress, the actual [illegible] results are negligible.

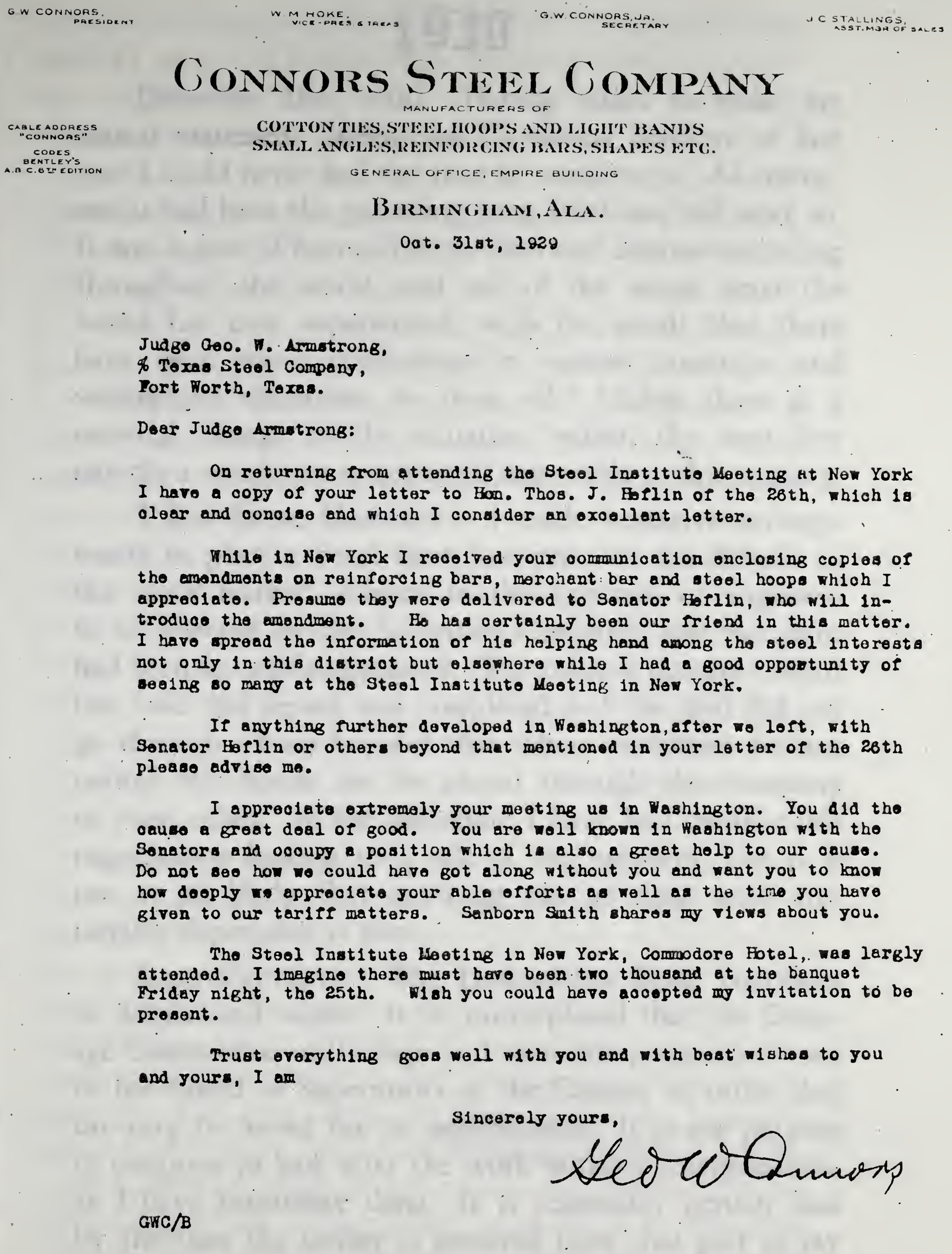
I mention, I think, the Rent Cases in passing, [illegible] a decree sustaining my position in practically every particular. The Court found the going of 1919 [illegible] and reasonable, and sustained the ordinance rates applying the existing rates and the future ones. The railroads and the Railroad Commission have appealed from this decision. Since the decision was filed, [illegible] that which the County of Alameda [illegible] it will be affirmed. The issues involved in this [illegible] and legal [illegible] different from the issues of the Rent Cases. [illegible] should be finally disposed of during the present year. In the event the decision is [illegible] purpose to [illegible] the [illegible] and [illegible].

Two other cases of more great importance are those of the Tide Land Company vs. the [illegible] Companies, one case on the [illegible] side of the [illegible] the other on the [illegible] side of the [illegible] for statutory damages under the [illegible]

Anti-Trust Act. I have met in these cases with every possible technical and dilatory plea, with the result that I have made very little progress toward getting the cases ready for trial.

TARIFF. As a representative of the steel industry I have taken the lead in an effort to secure an increase in duty on reinforcing concrete bars and structural material. I presented our case to the House Ways and Means Committee and the Senate Finance Committee both in person and by printed brief. Both committees declined to recommend an increase in duty. The bill is still pending in the Senate, and Senator Heflin has agreed to introduce an amendment to it providing for this increase. I am not very hopeful, however, of its adoption.

March, 1930. I was unable to complete this statement, and have simply been too busy to get back to it.



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Oct. 31st, 1929

Judge Geo. W. Armstrong,
% Texas Steel Company,
Fort Worth, Texas.

Dear Judge Armstrong:

On returning from attending the Steel Institute Meeting at New York I have a copy of your letter to Hon. Thos. J. Heflin of the 26th, which is clear and concise and which I consider an excellent letter.

While in New York I received your communication enclosing copies of the amendments on reinforcing bars, merchant bar and steel hoops which I appreciate. Presume they were delivered to Senator Heflin, who will introduce the amendment. He has certainly been our friend in this matter. I have spread the information of his helping hand among the steel interests not only in this district but elsewhere while I had a good opportunity of seeing so many at the Steel Institute Meeting in New York.

If anything further developed in Washington, after we left, with Senator Heflin or others beyond that mentioned in your letter of the 26th please advise me.

I appreciate extremely your meeting us in Washington. You did the cause a great deal of good. You are well known in Washington with the Senators and occupy a position which is also a great help to our cause. Do not see how we could have got along without you and want you to know how deeply we appreciate your able efforts as well as the time you have given to our tariff matters. Sanborn Smith shares my views about you.

The Steel Institute Meeting in New York, Commodore Hotel, was largly attended. I imagine there must have been two thousand at the banquet Friday night, the 25th. Wish you could have accepted my invitation to be present.

Trust everything goes well with you and with best wishes to you and yours, I am

Sincerely yours,

Geo W Connors

GWC/B

1930

December 25th, 1930. Having failed to make my annual statement during the Christmas holidays of last year I could never find the time to complete it. As strenuous as had been the preceding year, 1930 was still more so. It was a year of financial depression and distress extending throughout the world, and one of the worst years the world has ever experienced, with the result that there have been many revolutions in various countries and widespread discontent in them all.* Unless there is a material change in the situation within the next few months a revolution is not at all impossible in this country.

Texas Steel Company. I made tentative arrangements to place a bond issue just prior to the debacle in the stock market, subject to the approval of engineers to be selected by the Securities Company, and the plant had been favorably appraised. The collapse occurred about the time this report was completed and the deal did not go through. I am hopeful that when conditions become normal the bonds can be placed through this company or some other. In the meantime I have had considerable negotiations looking to a sale of the property, but it is not at all likely that anything can be done until this terrible depression is over.

Sligo Property. The Homochitto River continues to deepen and widen. It is contemplated that the Drainage Commission will resign and turn this proposition over to the Board of Supervisors of the County in order that tax may be levied for its maintenance. It is my purpose to continue to look after the work without compensation, as I have heretofore done. It is reasonably certain that by the time the timber is removed from that part of my

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*It was the result of the restoration of the gold standard.

land in the Drainage District that it will be reclaimed from overflow and I will then be in position either to put it into cultivation or to use it for reforestation, pasturage, or game preserve, as may then seem to be best.

LAWSUITS. My chief occupation during the past year has been that of preparing, trying and briefing lawsuits. The suits have all been important ones and I have briefed them very thoroughly and carefully; and those that I have tried I have developed thoroughly and tried satisfactorily, and do not blame myself where I have lost. I have received a great many compliments from Judges and others. In fact I have surprised myself that I am so thoroughly at home in the trial of a lawsuit. I must, however, not only study the case but also the forms of procedure and practice, and this has covered during the past year all character of trials including practice in the Supreme Court of the United States, the Supreme Court of Texas, the Court of Civil Appeals of Texas, the District Courts and the Federal Courts. I now regard myself and am regarded by others as a good lawyer despite the fact that until within the past few years I had not practiced law for more than thirty years.

SHEFFIELD AND LACLEDE CASES. Judge Wilson has never yet rendered a decision upon my interrogatories in the equity case calling for the production of the books and documents of the Sheffield Steel Corporation. In the meantime this company has been absorbed by the American Rolling Mill Company. I tried the pleas to the jurisdiction of the Sheffield and Laclede and think developed the fact that both of these companies maintain agencies in Texas and are transacting business in the state, Laclede through its subsidiary, the Southern States Steel Corporation. These pleas were tried in February 1930 and Judge Wilson took them under advisement, and though I have requested a decision so often that it is

becoming embarrassing to both of us, and he has promised from time to time to decide them, he has never yet done so. I am hopeful that this decision will be favorable and will be rendered and can be recorded as one of the events of the present year. If it is favorable to my view I think it very likely that some settlement can be made of these cases, as I would very much prefer to settle them than to try them, and will do so upon a very reasonable basis.

TARIFF. I lost out in the tariff fight, due no doubt to the fact that I was so tied down with my lawsuits and other matters that I could not be in Washington when the tariff bill was up for consideration before the Senate. I think that we had enough votes to win but Senator Patterson (of Missouri) and Senator Heflin (of Alabama) who had agreed to introduce the amendment calling for an increase in duty on reinforcing bars, concluded it was best not to do so in view of the threat of Senator Barkley that if the amendment was introduced he would propose a reduction in the duty. I think that if the amendment had been offered it would have been adopted, and if I had been present I would have at least requested that they take that chance, but it so happened that at that particular time I had the hearing of the Sheffield and Laclede matter before the Federal Court and could not therefore go to Washington.

POLITICS. I was hopeful that I would make some sort of a deal either to sell or to finance the Texas Steel Company in time to enter the race for the United States Senate. With that purpose in view I wrote a good many articles for the newspapers upon the tariff, Federal Reserve System, prohibition, and the National Democratic Party, and publicly challenged Senator Connally to a joint discussion which he declined; but in view of the fact that I did not get my finances straightened out I made no public announcement of my purpose.

I haven't any definite purpose in view further than that I propose to try to alienate the Democracy of Texas from Tammany Hall. Whether it will mean a coalition with the Republican party or a new party I do not know, nor do I at this time know whether I will seek office or if so what office it will be. I think I know what is wrong with the Democratic party and with the country. I have done very little *pro bono publico* since my bankruptcy. I mean to take one more fling at it and I am hopeful that my affairs soon will be in such shape that I can do something worth while.

DIVORCE. Perhaps the most important event of the year has been my divorce, which was granted on December 22nd. While I have committed myself to a continuation of the present monthly payment during the life of my former wife, I am hopeful that I will, during the next year, be able to increase this payment, or better still, to set aside to her bonds or other property that will bring in a fixed income of more than this sum.

CONCLUSION. I am in splendid health; it has never been better. I take my morning exercises and cold bath faithfully, and I don't permit myself to do anything that will in any wise impair my health because I realize that everything depends upon it. I feel that the hand of destiny is upon me: that the financial reverses and the ten years of strenuous labor to which I have been subjected as a result, is *the Master's will*, and will in the end work out for the best. I can already see that it has been helpful to my children. I believe that I will yet accomplish something worth while that I would not and could not have accomplished except for this reverse and the change of point of view and the labor and thought that have resulted from it.

I haven't any definite purpose [illegible] further than that I propose to try to [illegible] the Democracy of [illegible] Tammany Hall. Whether it will mean a coalition with the Republican party or a new party I do not know, [illegible]

Christmas. Perhaps the most important event of the year has been my divorce, which was granted on December 23rd. [illegible]

I [illegible] in splendid health. [illegible]

1931

February 4th, 1932. The years appear to get more strenuous and involve more labor and responsibility as I approach the time when men should, and usually do, become inactive. My work was heavier last year than the preceding year. The coming year promises to tax my strength to the limit. I could not find the time during the holidays to prepare my annual statement. I will record things as they are, or appear to be, at this time.

The most signal achievement of the year has been the arrangement made between Mr. Kirby and the Fort Worth banks and myself by which the banks extend the indebtedness owing by Mr. Kirby and me to them for a period of three years, in consideration of which they were given a lien on 50 per cent of the stock of the Texas Steel Company and a second lien on the Sligo Ranch property. The following are the consequences of this arrangement: (1) All of the property held by Mr. Kirby in trust for me has been used to secure the debts assumed on my behalf. (2) The Texas Steel Company has been able to save the South Fort Worth property from foreclosure which was threatened by F. M. Lege, the holder of the first lien against it. He has refused to grant any sort of an extension and desires to foreclose on the property and will do so in the event of any default in the payment of interest or taxes. (3) My estate is in such position that it will pay the debts against it, and will, I hope and believe, save a comfortable fortune for Mr. Kirby. This all depends upon the ability of the Texas Steel Company to pay the fixed charges that must be met, which I think it will be able to do.

Texas Steel Company. The company has made remarkable progress in reducing its cost of production.

1931

February 4th, 1931. This year opened in [illegible] good strength and [illegible] [illegible] [illegible] and [illegible]. As I approach the time [illegible] [illegible] and [illegible] [illegible] [illegible]. My work was harder last year than the preceding year. The coming year promises, in [illegible] [illegible] strength, to be [illegible]. I want, and find my own [illegible] [illegible] to [illegible] my [illegible] [illegible]. [illegible] things as they are, or appear to be, at this time.

The most [illegible] [illegible] of the past has been the [illegible] made between Mr. Kirby and the First [illegible] [illegible] had agreed to [illegible] the [illegible] [illegible] the [illegible] [illegible] to Mr. Kirby and set up [illegible] a period of three years, at the expiration of which they were given a [illegible] to get out of [illegible] of the Texas Steel Company and a [illegible] lien on the Hugo [illegible] property. The following are the [illegible] of this arrangement: (1) All of the property held by Mr. Kirby is [illegible] [illegible] has been used to [illegible] the [illegible] [illegible] on my behalf. (2) The Texas Steel Company has been able to save the [illegible] property from [illegible] which was [illegible] by T. M. Hugo, the holder of the [illegible] lien against it. This has [illegible] no [illegible] [illegible] of [illegible] and [illegible] to [illegible] on the property and will act as [illegible] in the [illegible] of [illegible] [illegible] payment of interest or taxes. [illegible] [illegible] [illegible] Hugo and [illegible] a considerable [illegible] [illegible]. This all depends upon the ability of the Texas Steel Company to pay the [illegible] [illegible] [illegible] which I think it will be able to do.

Texas Steel Company. The company has made remarkable progress in reducing its cost of production

It is exceedingly gratifying to me that this company is at last coming into its own and that it promises to be able to save both Mr. Kirby and me, and particularly Mr. Kirby.

SLIGO PROPERTY. The sale of the hardwood timber, after much delay (due principally to the fact that Bolton Smith & Company were dissatisfied with the cruise and refused to release the lien), was finally consummated. The Drainage Canal continues to deepen and widen in a satisfactory manner.

LAWSUITS. My heavy work during the past year again has been that of trying and briefing lawsuits. I have made no progress in the Sheffield and Laclede cases except that the Court has finally held that he has jurisdiction as to these two companies. The Federal Court in St. Louis held that I had no right to take the oral testimony of witnesses in St. Louis. This case is set down for argument on demurrers on February 11th. When these demurrers are disposed of I will again make an effort to take testimony either by written or oral interrogatories.

BOOKS. One of the principal achievements of the year was the writing of two books: The *Calamity of* '30—Its Cause and the Remedy; and *A State Currency System*—To Hell with Wall Street. The first of these books was written during my vacation in the latter part of August and first of September. The latter book was begun in December and largely written during the Christmas holidays, but was not completed and published until January 25th, 1932. I think that these are both worth while books and that the latter one will have far reaching consequences, for it points out a practical plan by which the country can free itself from the financial control of Wall Street and its agency, the Federal Reserve System.

If Governor Sterling does not call a special session of the Legislature for the purpose of adopting the plan outlined in this book I will make the race for the office of

Governor of Texas upon it as my platform. I have been flattered by the requests of a great many good men, both by letter and orally, to make this race. I think I can win. My hesitation in entering the race is due principally to the fact that I hope the plan can be speedily adopted without my doing so and will not have to await the result of an election.

Summary. While I have had a great many disappointments of one sort and another, principally in lawsuits, I think I have made very great progress during the year both in establishing my fortune and in restoring my prestige. My affairs appear to be now in such shape that I am on reasonably safe ground and that I will be able to restore my own fortune and contribute materially to the restoration of Governor Kirby's.

I perhaps should admit in this memo of my labor and aspirations that the impelling motives are: (1) A consuming desire to render some worth while public service before old age overtakes me. (2) Also a consuming desire to be of service to Governor Kirby and to show my gratitude for the wonderful help he has extended me. (3) A consuming desire to be of service to those who have trusted me and who are dependent upon me. (4) To restore my standing and prestige in the eyes of men (this, I recognize is but a natural reaction to the feeling of suppression under which I have labored for the past ten years). (5) I should mention further that I am actuated also by an ambition to destroy the invisible power that manipulates the currency and credit system of the country, and that is responsible for the misfortunes of my friends and myself.

I am in the pink of physical condition and am taking as good care of myself as the weakness and limitations of human nature will permit. I take my daily exercises and

cold bath faithfully, and do not often abuse my stomach. The Battle Creek Sanitarium pronounced me in excellent physical condition, and this has been confirmed by recent examination by the Life Extension Institute.

My mind is clear and active and I no longer have any fear of another mental breakdown. I welcome the prospect of heavy work that lies before me, and I shall enter the political campaign with eagerness and enthusiasm, and will prosecute it vigorously until the end, whatever it may be.

1932

December 23rd, 1932. All of my optimistic plans for the year 1932 resulted in failure; not a single one of them panned out as I anticipated and forecast. Everything went wrong. It was a year of failure not only for me but for every man (except the man with money) who tried to do anything. Money was never at such a premium as during the past year. The banks practically suspended operation, and credit could not be had upon any terms. The Federal Government is undertaking the impossible in endeavoring to maintain the so-called gold standard, or a higher value for American money than that of other countries. This necessarily means disaster.

TEXAS STEEL COMPANY. The steel industry as a whole operated at about 15 per cent capacity and lost money—the bigger the company the greater the loss. The Texas Steel Company lost money every month during the year except the month of November, when it made a very small profit. Its losses for the year, including overhead and depreciation, will amount to about $50,000. It was unable to meet its monthly payments to the banks and others, and to pay its bond interest maturing in August. These payments have simply been indulged.

I have proposed to the bondholders that they remit accrued interest and scale the bonds down, and to our principal creditors that they reduce their indebtedness; that the City reduce its accrued taxes; that the power and gas companies reduce their rates for a period of twelve months; and that the labor and salaried employees be reduced. If these reductions are made I think we can operate the property during the next six months and can pay semi-annual interest on the indebtedness and one-half the taxes within that period, and I propose to do this.

The salaried employees, the laborers, the banks and other creditors have agreed to the reduction, but the bondholders have not yet consented to the reduction and extension. The matter is now in negotiation with them. If an agreement is reached with them I believe that the City and the power and gas companies will agree in substance to the proposition, and that the company can be financed and put upon a profitable basis. Fortunately, we have a backlog of 4,000 tons of cheap tonnage. It will probably be necessary to take still cheaper tonnage in the future for we will have to sell our products in the adjoining states as well as in Texas in order to secure enough tonnage for profitable operation.

Mississippi Plantations: The rents from the property, after deducting the expenses of operation, will just about equal the taxes. The houses are all filled with fairly good tenants. The crop, both corn and cotton, was an average one, but the rents were light because of the low prices—cotton selling around 7 cents per pound and corn around 25 cents per bushel. Most of the tenants are now on either a fourth or a lint cotton basis.

The State of Mississippi is proposing to build a new road between Natchez and Woodville which will eliminate many curves and shorten the distance about eight miles. This will be a part of U.S. Highway 61 and it is intended to build it of concrete. When the road is completed it will add very great value to my property, and particularly to the Wilkinson County land and the timber on these tracts, which is yet unsold.

The Mississippi River Commission has at last adopted a program of cutting across the bends of the river, which, with the opening up of the spillways, they estimate will reduce the high water stages of the river from four to nine feet. When this work is completed the most of my

The railroad [illegible] the lands had [illegible] through for profitable operation.

Minnesota's [illegible]

[illegible]

[illegible]

Mississippi River valley land should be above overflow or subject only to slight, occasional overflows. The project calls for cutting across Giles Bend above Natchez, and through Hootsel's Lake to the Armstrong Canal (as they call it on their maps), and for a reduction of more than eighty miles in the length of the Mississippi River.

The Armstrong Canal has progressed very satisfactorily during the year, and so has Second Creek. The Homochitto River should be within its banks by the time the timber has been cut. It is my present purpose to follow up this timber cutting with clearing the land, building houses, and putting the land in cultivation, until the entire Homochitto valley is under the plow. By that time no doubt the Mississippi River will have cleaned out its new channel to the extent that the Mississippi valley can be cleared up and also put in cultivation.

Lawsuits. Judge Wilson still has under advisement the dilatory pleas, motions, etc., in the Sheffield and Laclede cases; my case before the Court of Civil Appeals was referred to the Supreme Court of Texas on certified questions and is still pending before that tribunal; I have amended my petition in the suit for penalties against the railroads and have requested a setting of the case. I still think I have a case for penalties on account of the discrimination created by the transit privilege allowed to our competitors. I sincerely hope that I will be able to clean up my court docket this year and again retire, this time permanently, from the practice of law.

Politics. I made the race for the office of Governor of Texas, and lost. I entered the race for the Democratic nomination but promptly following the publication of the National Democratic platform I announced in the press in substance that if it represented all there was to Democracy that I could not in good conscience claim to be a Democrat and that I would not further seek the nomina-

tion, and withdrew from the race, stating that I would make the race against the nominee, as an Independent. The railroads were very active in the campaign, with the view of eliminating truck competition. Both Ferguson and Sterling stood for the suppression of this competition. I thought that under these circumstances I would probably be eliminated in the primary and that the race would be between Ferguson and Sterling. I thought also that Ferguson would be the nominee and that I could defeat him, and that this was the best plan to adopt in order to save the State from another Ferguson administration.

Fate decreed that I should not be the Governor of Texas. The "breaks" were against me. Ferguson was declared the nominee although Sterling undoubtedly received a majority of the legal votes. The Republicans nominated Bullington and raised from some source a campaign fund of more than $100,000 to elect him. The political element of the prohibitionists and the Sterling administration supported him actively. Ferguson was elected by a large vote and I was a poor third in the race.

I made a very active campaign, travelling approximately 14,000 miles, Anne (my daughter) driving the car for me. I made about 400 speeches, five or six a day, and many over the radio. The latter part of my campaign I used a loud speaker which was a great labor saver. I had very fair and very appreciative audiences. I thought in the beginning that I had a good chance to win, but when I saw the huge amount of money being expended and the immense effort that was being put forth in Bullington's behalf, I soon saw there was no chance for me. I nevertheless continued in the race despite the fact that great pressure was brought to bear to induce me to withdraw. I probably made a mistake in the beginning when overtures were made to me to accept the Republican nomination, which I declined.

FUTURE PLANS. Everything is now so unsettled and uncertain that I am unable to make any plans for the future. I want above all other things to get myself in position to aid Mr. Kirby in restoring his fortune. I want also to have enough estate left to meet my responsibilities and to provide in a reasonable way for those I love and also for those dependent upon me.

My ardor to render a public service through holding office has been cooled to a very great degree. It is not my present purpose to further seek office, but to render such public service as I can, as a private citizen. If, however, there is no improvement or prospect of improvement in conditions through the Roosevelt Administration, I may make the race two years from now against Tom Connally for the United States Senate. This will depend to some extent upon whether the public appears to be ready for a reform of our banking and currency system, and to be ripe for revolt against the present rule of this country by the international bankers.

On the 18th day of January, ten years will have elapsed since I was adjudged a bankrupt. I have had every character of problem to face during this period of time. I am perhaps to be congratulated on the fact that I have met these problems as they came up, without fear and in good spirit. The future now appears to be about as dark as at any time during these past ten years, but somehow I am not afraid and I have every confidence that in some way I will make a landing. It is time, high time, that I have a change in luck. If there are cycles of good and bad luck in a man's life, as many men believe, then I am due for a change.

I continue in good health and continue to take good care of my health; and despite all of my perplexing problems I continue optimistic.

1933

January 16th, 1934. The past year has been a busy and a constructive one. I have succeeded in getting the Texas Steel Company in fairly comfortable shape and have made considerable progress towards getting the Sligo Ranch property and my own affairs in good shape.

General Conditions. President Roosevelt has partially reversed the program of the Hoover Administration. Immediately after his inauguration he closed all the banks of the country (which was deflationary), and soon thereafter he abandoned the gold standard. Congress gave him dictatorial power to eliminate competition and restrict the production of industry, and to expand currency. Up to this time there has been no inflation except the limited amount caused by the borrowing and spending of money by the Federal Government for the purpose of giving employment to labor. While there has been a great deal of inflationary talk, the acts of the Administration thus far have been largely deflationary. The depression has been used for the purpose of centralizing power in the National Government and creating a dictatorship. This entire program will be a colossal failure and the Democratic Administration will be repudiated unless there is inflation, and I therefore think it will soon come. In his recent message to Congress the President estimates the deficit at the end of the present fiscal year at ten billion dollars, which he proposes to cover by the issuance and sale of bonds.

Texas Steel Company. The company operated at only about 20 per cent capacity, but made a small profit. I bought the Texas Steel bonds from the Whitney National, paying part cash and giving my four notes with the bonds as collateral. I also bought from the Fort Worth

banks the stock of the Texas Steel Company and made a settlement of the City taxes and other company indebtedness. I received $40,000 in settlement of the suits against Sheffield and Laclede which provided the cash for making the settlements and payments mentioned.

MISSISSIPPI PROPERTY. I have done but little work on the Drainage Canal because of lack of funds. The channel is continually scouring out, and this is true also of Second Creek. There is considerable work yet to be done on the creeks emptying through Washaway, Brick-quarters and Commencement plantations, which I hope to be able to do during the present year.

The Mississippi River Commission is completing the Cut Off at Glasscock Island, deepening it from about 18 to 35 feet. The effect of the work already has been to lower the water level on my plantations in the St. Catherine Creek basin. With the Mississippi River stage at 52 feet on the Natchez gauge, 40 or 50 acres of my Woodyard plantation did not go under water, and none of my Shieldsboro farm land. At this stage the entire Woodyard plantation has heretofore been under two or three feet of water, and also approximately 100 acres of my Shieldsboro farm land. It now appears to be reasonably certain that a large part of the St. Catherine Creek basin, perhaps all of it, and practically all of my Shieldsboro place will be reclaimed from overflow. It is my purpose this year to begin putting into cultivation the cut-over land at Shieldsboro; and to clear up a great deal of the buck vine on New Era and break it up so that I can either put the land in cultivation or that it will come up in cottonwood. This should have been done years ago.

LAWSUITS. It appearing that I could never get a trial of the Sheffield and Laclede cases, and needing the money desperately bad for the purpose of saving the Texas

Steel Company, I compromised with the defendants on the payment of $40,000 cash. In addition to the value of the money settlement, I have, I hope, made Christians of these competitors and have stopped their cut-throat practices, which will be of very great future advantage to the company.

The Coal County land was bought at tax sale by Dunagan and Wheat, who have sued in the District Court of Coal County for title to the property. I filed a petition and bond for removal to the Federal Court which has been submitted on written argument. The Court has not yet rendered his decision.

Composition of Debts. Some months ago I agreed with my creditors upon a composition of my debts which involved my borrowing $50,000 from the Federal Land Bank. I have met with two insurmountable obstacles in carrying out this composition: (1) The failure to get the loan from the Land Bank, and (2) the refusal of the Referee in Bankruptcy in the Kirby Estate to approve the settlement that had been agreed upon. It is therefore necessary for me to revise my proposition and to go into the Federal Court to enforce a composition, which I shall presently do.

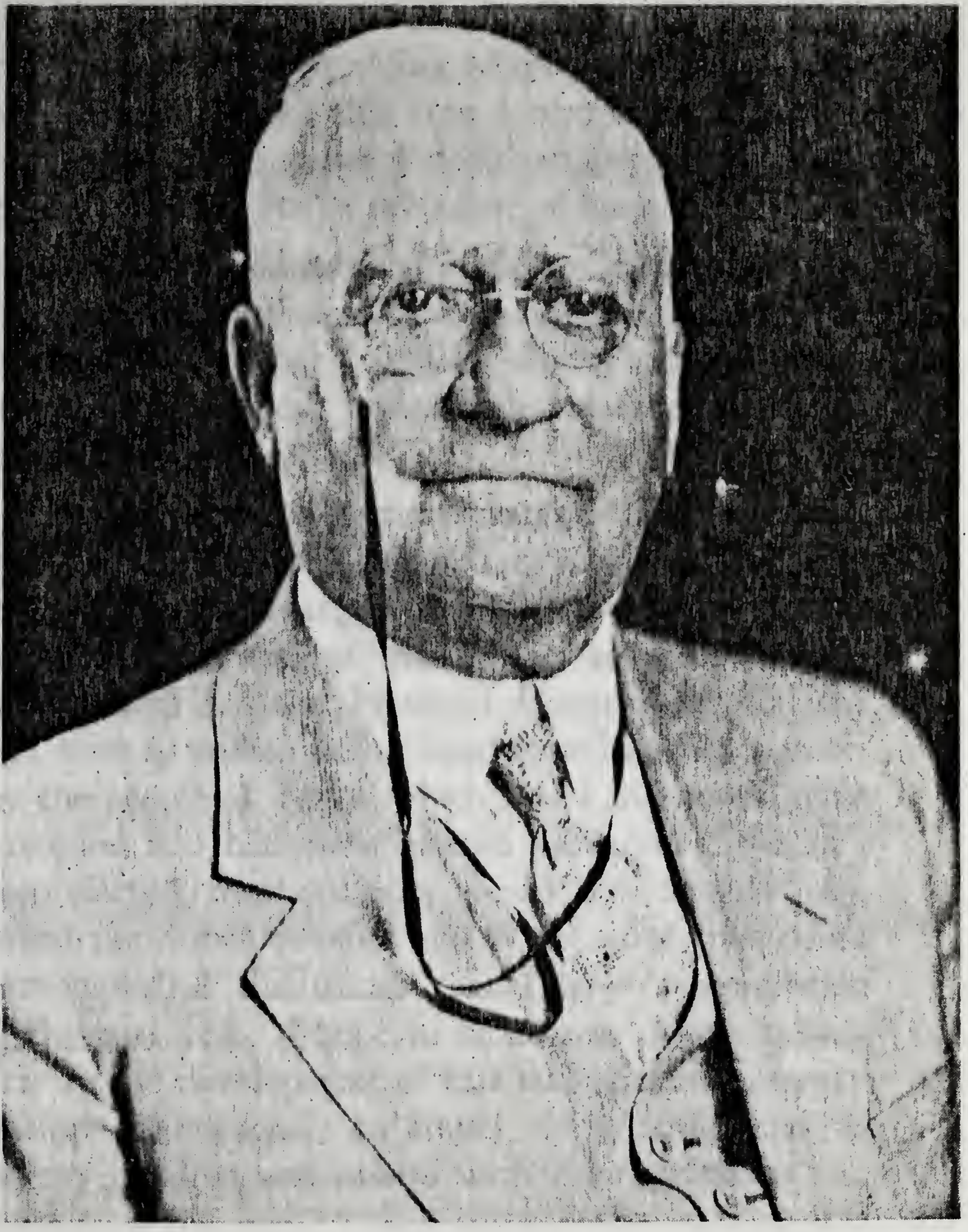
When this composition is effected and it is apparent that its terms can be carried out, it is my purpose to first make a will (which already has been prepared and submitted to my children and approved by them), and to then cease to be a slave to my business and thereafter work or play as I may prefer to do. The first thing on my program is to see if I can help out in some way in solving our country's problems; and I then propose to travel. I have looked forward to this all of my life but have never yet been able to find the time or the means for this indulgence.

[illegible] to the community.

The Civil Courts. [illegible]

Consolidation of Boards. [illegible]

[illegible]



George W. Armstrong
At sixty-seven years of age

[illegible]

[illegible]

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MY MARRIAGE TO MARY. Feeling confident that I would be able to restore my fortune, and even before I had made the settlement with Sheffield and Laclede, I married the woman I love, Miss Mary Cozby. As much as I had desired to take this step I postponed it until I was reasonably certain that I could support a wife and at the same time discharge my other obligations.

I am in splendid health and am optimistic; my surroundings are pleasant and I am leading a delightful life. I am wondering whether I will be wholly content when I am not forced to work under high pressure, as I have been doing for many years.

I hope that I have been thoroughly cured of office seeking. The Ferguson Administration is running true to form. There are charges of graft, of selling pardons and appointments, and of attempting to graft on the money provided by the National Government for the poor. A twenty million dollar bond issue has been authorized by the people of Texas, which could and would have been avoided if I had been elected Governor; but if I had been elected, the Lord only knows how I could have discharged the duties of office and at the same time could have accomplished the things that I have accomplished during the past year. I hope to be able to devote myself hereafter to the development of this magnificient property (Mississippi plantations), to travel, to writing, and to helping my children and others with their problems.

1934

January 1st, 1935. I have co-operated with the N.R.A. and A.A.A. programs of the National Government during the past year. They have both been helpful as temporary emergency expedients but they are ineffective as remedies. There has been some increase in the price and wage level, but money and credit are still congested. The Jews apparently control the financial policies of the Government, with Barney Baruch as the directing genius. Despite all the hypocritical talk about the "forgotten man" we still have deflation and the further concentration of wealth in the hands of the few. The indebtedness of the people, including the national debt, has increased to such an extent that there is now no hope or prospect of relief except through inflation. This, I hope and believe, will come about during the ensuing year despite the opposition of the President and his "brain trust."

This deflation and our consequent distress will, however, have its compensations. It has already resulted in the abolition of the gold standard and the restoration of silver; Congress and the people are beginning to learn something about the money question; it has eliminated to some extent unfair trade practices; it will probably in its final results bring about inflation and a redistribution of wealth, the restoration of agriculture, the full employment at fair wages of labor, and a reformation of our banking system with cheap money and credit.

Coal County Land. The Court held that the tax deed to Dunagan and Wheat was voidable and adjudged that upon reimbursement of the amount paid out by them, with attorneys fees, court costs and other expenses, that their title be cancelled. I have made a settlement on the

basis of their re-conveying me their title to the property on payment of these items.

MISSISSIPPI PROPERTY. The year 1934 was the poorest crop year in the seventeen years I have owned the property. The Homochitto River is slowly but surely scouring out. I have cleared up about 75 acres of new land and built two new tenant houses, which is about all the improving I am permitted to do under the Bankhead Act.

TEXAS STEEL COMPANY. The Oil Well Supply department and also the Foundry will just about break even for the year. The plant, however, will show a very fair net earning after charging off inventory losses and fixed charges.

FEDERAL LOANS TO INDUSTRIES. I spent considerable time and money during the past year in an effort to get through Congress a bill that would authorize the Reconstruction Finance Corporation to make loans to industries, and in trying to make such a loan. A satisfactory bill was adopted by Congress but promptly thereafter the R.F.C. adopted two regulations that eliminated the Texas Steel Company as an applicant: (1) They required a first lien upon the property but would not allow any part of the proceeds of the loan or any part of the assets of the applicant to be used to take up outstanding liens; and (2) they prohibited any part of the proceeds of the loan to be used for new construction. I nevertheless made the application and went to Washington to try to put it through, and afterwards applied to the Dallas Federal Reserve Bank for a loan, in all of which I was unsuccessful.

RATE AND PENALTY SUITS. After more than ten years of litigation I have finally lost out in the suits brought by the Texas Steel Company for reduction in freight rates and for penalties for discrimination and extortion, aggregating about $2,000,000. The Railroad Commission of

Texas held in substance that the two-cent transit regulation on iron and steel articles discriminated against the Texas Steel Company but that the Commission was itself without power to remove the discrimination. I appealed the case to the District Court of Travis County which reversed the decision of the Commission. The railroads appealed to the Court of Civil Appeals at Austin, which sustained the decision of the lower court; they then filed motion for rehearing.

The decision of the Supreme Court of Texas in the Rate Case is contrary to several decisions of that court and of the U. S. Supreme Court. My experience in this case has convinced me that the ordinary man has but little chance to win in an important suit against a combination of railroads with their immense financial and political power.

Prospects. I hope and believe that I will soon be able to purchase the Peach Tree Village property for Mr. Kirby and to clear up all of the liens against my Mississippi land, and pay my debt to the Whitney. When this is done I propose to establish a trust fund that will provide a monthly income to those who are dependent upon me, and to some others. I wish to allow the earnings of the Texas Steel Company to be used in the development of the plant; we should be able to rebuild our Oil Well supply department and to install other improvements as they are needed. If this can be done the failure to obtain the loan mentioned and to sell this department will no doubt prove to be "blessings in disguise." The Oil Well Supply department should be made the selling agency and outlet for a considerable amount of the product of both the Mill and Foundry. It is my purpose to push the development of this branch of our business.

On the whole the year has been a good one, and the coming year promises to be a better one. I can not help

wondering what the result would have been if I had been elected Governor of Texas in 1932 and had spent this last year and the preceding one wrestling with the "problems of State" and the politicians, instead of devoting my time and thought to my own problems. Surely the fates were kind to me when they decreed my defeat, and this is not "sour grapes."

It is particularly gratifying that my wife and I both continue to have good health; her's is improving, and mine is always so good that there isn't much room for improvement. We went through the clinic at Battle Creek during the past summer and were found to be in excellent condition. I will be sixty-nine years of age on January 26th, and I can see no sort of deterioration in either my physical or mental condition. I hope that I can, during the present year, get my affairs in such shape that I will be able to leave them and travel, and may be write a book or two.

1935

January 4th, 1936. There has been a slow, gradual improvement in general conditions during the past twelve months, but it is estimated that there are still ten million men unemployed. The Roosevelt program of deflation and of raising the price level by debt and government subsidies continues, and the A.A.A. still continues. The N.R.A. has been abandoned and the A.A.A. attacked as unconstitutional, and the case is now in the United States Supreme Court. According to the poll of the Literary Digest, more than 60 per cent of the people are opposed to the Roosevelt program. If the Republicans nominate an inflationist for President his election is reasonably sure; otherwise we are likely to have four more years of the Roosevelt program of reform.

I have met all of my maturities during the past year except about $4,500 to the Fort Worth banks and about $6,000 to the Whitney National Bank, and these obligations will soon be paid. I estimate that I now owe (apart from the possible debt to The Alliance Trust Co., Ltd.,) about $80,000, and that I can pay this balance of indebtedness within the next eighteen months. I also estimate my present reasonable financial worth at about $1,000,000 and the potential value of my estate at a very much greater value. I plan to give approximately half of my estate to my heirs and devote the balance of it to public use.

Texas Steel Company. The most gratifying achievement of the past year has been the success of the Texas Steel Company. It has met all of its current obligations, it has a backlog of about 5,000 tons on order, and it will soon be in position to discount its bills. Unfortunately, we are still confronted with price cutting.

One of the causes that has been responsible for much of the price cutting has been the transit privilege. When, after almost twelve years of fighting before the state courts and Railroad Commission, I finally lost the Rate Case by an erroneous decision of the Supreme Court of Texas, through Judge Critz, holding that the State courts were without jurisdiction—I thought I was too old to renew the contest before the Interstate Commerce Commission. We concluded therefore to substitute trucks for the railroads, and for about a year's time we trucked the most of our steel to our customers. The N.R.A. penalized trucking, with the result that we were compelled to resume shipping by rail. As long as we had high prices we could meet competition, but the handicap is now a serious one.

We are building up the organization of the Oil Well Supply department and hope to be able to turn out the very best quality of product and develop an aggressive sales organization for this department as well as the Mill. The Foundry has made a nice profit during the year and may now be considered to be on a paying basis, with a fairly good, all-round organization. The prospects are that the earnings of the Texas Steel Company will be approximately twice as much during the coming year as they were last.

MISSISSIPPI. The Mississippi River work at Glasscock Island has been completed and I anticipate that a large part of the New Era and Woodyard plantations will now be above overflow. The principal work done on the Homochitto project during the past year has been on Second Creek, and I contemplate deepening the canal during the coming year.

The Alliance Trust Company having refused to accept the amount offered, and having opposed my composition settlement, I plead the usury in the transaction and

asked for judgement over against it for $65,000. This case was tried before the Referee on April 10th. I importuned him from time to time to decide it, and finally, in a spirit of resentment, on December 5th, he decided against me. I am now endeavoring to get him to certify his conclusions of fact and law to the Federal Court. If he does not do so within a reasonable time I plan to file a motion in the U. S. District Court either to dismiss the case or require him to certify, or both, and also to file suit against the Alliance Trust Company to cancel the lien and for the penalties mentioned.

"SEE AMERICA FIRST." My wife Mary and I spent about three and a half months in "seeing America first." We went from New Orleans via Washington, D.C., and Portland, Maine, Quebec and Montreal, Canada, to Battle Creek, Michigan, where we spent some time. We then traveled across the northern border states to Seattle, Washington, down the Pacific coast to San Diego, California, thence to Fort Worth. We stopped for various periods of time at all of the points named and at many others, traveling about 10,000 miles by automobile without accident or mishap. We enjoyed every moment of the time except towards the last we got a little homesick for Woodstock. We hope to be able to take a similar trip during the coming year, to Europe.

CONCLUSION. On the 26th of this month I will be seventy years of age and must therefore class myself as an old man although I have no physical evidence of it. My health is excellent; as far as I know all of my faculties are unimpaired, and I retain my ambition and courage and optimism.

1936

Seventy Years of Age

January 5th, 1937. There has been a continued improvement in general conditions due to Government spending and the inflation resulting therefrom. President Roosevelt was re-elected by an enormous majority but I do not believe that such majority of the people endorse his revolutionary and unconstitutional so-called reforms. The truth is there was no effective opposition to him. Landon was considered the candidate of the moneyed interest; he was a poor speaker, and did not present the appearance of fitness for the office. It would no doubt have been a different story if Senator William Borah had been the Republican nominee. The time is not yet propitious, and it may never become so, for a third party. Personally, I took no part in the campaign because I did not think I could accomplish anything by doing so, except perhaps injure myself.

There appears to be a deliberate and well managed campaign to destroy State sovereignty and our Constitutional form of government, and to create an autocratic, centralized government. This is the program of the Zionist Jewish hierarchy. Thus far they have succeeded without serious opposition in carrying out their program, which has been due to the general distress of the people; but with returning prosperity I sincerely trust that the courage and sanity of the people and of Congress will be restored. We are headed for inflation. It may be that through the Federal Reserve System it can be controlled, but either inflation or bankruptcy is inevitable. There is no other method except inflation by which people can pay their debts and taxes.

TRUST FUND. The outstanding achievement of the past year has been the creation upon the part of my wife and myself of the "*Geo. W. & Mary C. Armstrong Trust*," for the discharge of my moral obligations and for the benefit of some of our relatives. We conveyed $150,000 of the bonds of the Texas Steel Company, with the accumulated interest thereon amounting to about $45,000, to my sons A. J. Armstrong and Geo. W. Armstrong, Jr., *in trust* for the following purposes: (1) To purchase and give to Mr. Kirby, in recognition of his great service to me, his old home, known as the Peach Tree Village property of 6,000 acres, at a cost of $31,000, which has been done. (2) To re-pay Jno. P. King and Walter B. Scott $12,000 that they had paid on account of a note endorsed for me prior to my bankruptcy. (3) To provide monthly payments to my daughter, my sisters, my wife's sisters, and my former wife and her sisters. These payments have been made regularly since June 1st, 1936, and I trust and believe will continue to be made during the lives of the beneficiaries.

Mr. Kirby gave a barbecue November 14th at his old Peach Tree Village home in my honor and in celebration of the restoration of this property to him, which was attended by several hundred of his friends. I appreciated this testimonial very highly.

TEXAS STEEL COMPANY. The company has had the second best year in its history. Each department of it (Mill, Oil Well Supply and Foundry) is now on a profitable basis, and the prospects are that the earnings of both the Mill and Oil Well Supply will materially increase during 1937.

We filed an application with the Interstate Commerce Commission in 1935 for cancellation of the transit privilege, which was heard in the summer of 1936 before

Mrs. Anne Armstrong Thompson

Examiners of the I.C.C. and the Texas Railroad Commission, and later at Washington, D.C., before three members of the I.C.C. The decision of the Examiners was adverse to us, and the decision of the I.C.C. has not yet been announced. If the decision of this body is adverse we will appeal to the full Board, and if its decision is against us we will abandon the plan of building a real steel mill at Fort Worth or other point in Texas. I shall regret the necessity of doing this because I have long had the ambition of building such a mill at or near Fort Worth.

If the decision is adverse and if our earnings are satisfactory and my health continues good, we will build such a steel mill at or near Natchez on the Mississippi River. The location presents the following advantages: (1) Cheap transportation, not only to Mississippi River points but to the Gulf coast through the Morganza Cut-Off and the Intercoastal Canal (if it is built). (2) Cheap power: We can no doubt obtain cheap current from the Muscle Shoals power plant through T.V.A. There is a paying gas well near Ferriday, and undoubtedly by the time we are ready to build our plant there will be further gas development in the vicinity of Natchez. (3) Cheap scrap, from New Orleans, Memphis, Houston and other water transportation points. (4) The development of the City of Natchez and the territory adjacent thereto, which will be of great advantage to my real estate holdings, now amounting to about 40,000 acres. I have 11,000 acres of rich alluvial land in the St. Catherine Creek basin on the Mississippi River a few miles south of Natchez that will be adjacent to the mill site I have in mind, some of which will probably be cut into city lots. I should add, however, that if we win the Rate Case we will probably build the new plant at or near Fort Worth despite the advantages mentioned—and this largely because of sentiment.

MISSISSIPPI PROPERTY. It is now reasonably certain that the cutting off of the bends of the Mississippi River by the Government will so lower the water level of the river that the greater part of my St. Catherine Creek valley land will be reclaimed from overflow. The opening up of the Homochitto River was included in the Overton Omnibus bill. We have organized a new reclamation district (of which I am a director), in accordance with the requirements of the Mississippi River Commission. A survey has been made by the Commission, the project has been approved, and we are in line for an appropriation, which, if obtained, will complete this improvement work and will reclaim the greater part of my Homochitto River valley land from overflow. This will mean a successful conclusion of my eighteen years' work upon this important project.

REVIEW. The foregoing is the most hopeful picture that I have been able to see for many years. How different it is from that of ten years ago, viz., January 1st, 1927. At that time I was at Woodstock on an enforced vacation by imperative order of the doctors, as a result of a mental attack which I then feared would totally incapacitate me. I note from the review mentioned that I begun it with the following statement:

> My prospects of last year all failed to materialize. The year on the whole has been negative in its accomplishments, with the result that my situation is much more acute and uncertain; indeed, it will be impossible to hold matters *in statu quo* for another year. . . In fact, if I do not make a sale (of the timber) soon, I expect to apply to one of the oil companies for a position, provided it is satisfactory to Mr. Kirby.

When I resumed the presidency of the Texas Steel Company in October 1927 I found that it had lost, as a [illegible] It is quite impossible [illegible] of the Mississippi River [illegible] the Government [illegible] the water level of the river [illegible] the present [illegible] St. Catherine [illegible]. The [illegible] of the Atchafalaya River [illegible] the Central [illegible]. [illegible] with the requirements of the Mississippi River Commission. [illegible] the Government, the present plan has been completed, [illegible] Atchafalaya River [illegible].

[illegible] The [illegible] January 1st, 1927. [illegible]

> [illegible]

When I [illegible] of the [illegible] October 1927 I found that it had, as a result of price cutting and of gross mismanagement, a very large sum of money. Despite these facts, and many other obstacles, I managed to continue to operate the company. Reviewing in my mind our hard luck, our losses as a result of price cutting, etc., and the improvements which we made without capital, I marvel that I kept the plant going. I do not believe that I or anyone else could again do so; it was the achievement of desperation. In the latter part of 1928 I brought suits against Sheffield and Laclede Steel Companies in the U. S. District Court at Fort Worth, on the law side of the docket, for several hundred thousand dollars damages and penalties plus attorneys fees, under the Clayton Act, charging them as joint conspirators.

They interposed every character of dilatory plea: Among others they contended that they were not doing business in Texas, and, after three trials of this one issue before the Court (Wilson), and what I felt to be inexcusable delay on his part in rendering decisions, the Court finally held that it had jurisdiction. They then sought to prevent my obtaining an examination of their books and records, and after having won out in several trials before Judge Wilson at Fort Worth, the Laclede Steel Company succeeded in obtaining an injunction before the U. S. District Court in St. Louis restraining my examination of their books. Although I pressed for a trial of this case from the beginning, they succeeded in tying my hands by the injunction mentioned, nearly five years after the suits were filed.

In the meantime my own financial situation had become desperate; the Texas Steel Company had been unable to pay its bond interest and its taxes; the bondholders were threatening to foreclose, and speculators were

seeking to obtain the plant from the bondholders at a nominal price. In view of this situation, in March 1933 I approached Sheffield and Laclede for a compromise, and succeeded in making a cash settlement with them at $40,000, with the agreement that they would thereafter quote the market, which until recently has been fairly well observed.

I did some very effective financing with this $40,000. First, I accepted it in payment of my attorney's fee, this being a reasonable amount for the services I had rendered in the matter. I used $20,000 of it to make a down payment on the purchase price of $238,000 of Texas Steel Company bonds held by the Whitney National Bank, which I bought at 40 cent on the dollar, the balance represented by my four notes of $18,800 each, payable annually, which gave me control of the situation. I used $10,000 of it to make the down payment on the composition settlement with the Fort Worth National, First National and other banks, of the Kirby notes, which the banks agreed to settle at about $37,000, terms $10,000 cash, balance in three annual payments, all of which have been paid except the last one of about $9,000 which is due March 1st and which will be paid. I used a part of the amount to settle the city taxes of the Texas Steel Company; the balance was used as a down payment in the purchase of notes owing by the Texas Steel Company which I bought for $10,000, the balance to be paid in installments, which have been paid. I should add that in the settlement with the banks I also obtained one-half of the stock of the Texas Steel Company and the company's note in favor of the First National for about $20,000.

I might add also that the Federal Government is now seeking to set aside this entire transaction on the grounds that the attorney's fee charged was excessive, wishing to obtain the same from the shareholders at a nominal price. In view of this position, [illegible] 1927 I appointed [illegible] and [illegible] as a [illegible] and succeeded in making a [illegible] settlement with them, at [illegible], with the [illegible] that they would [illegible] the [illegible], which [illegible] have been well observed.

I had some very unhappy dealings with the [illegible]. [illegible] I [illegible] the [illegible] a [illegible] [illegible] I had [illegible] in the [illegible]. [illegible] the [illegible] Company [illegible] the [illegible] Company [illegible] [illegible] the [illegible] [illegible] [illegible] Company [illegible] I [illegible] [illegible] [illegible] [illegible] [illegible] the [illegible] [illegible] [illegible] [illegible] Company [illegible] [illegible] of the [illegible] [illegible].

I [illegible] only the [illegible] and [illegible] [illegible] to [illegible] [illegible] [illegible] [illegible] that [illegible] [illegible] [illegible] and that the company, and not I, should pay the income tax accordingly.

I am wondering what the situation would have been if the Laclede Steel Company had in good faith carried out its contract of purchase instead of seeking to destroy the Texas Steel Company; or worse still, what it would now be if I had not resumed the control of the company at the time it was turned back to me and thereby saved it from certain destruction. The sale of the plant at that time would not have saved Mr. Kirby. The chances are that he would not now have his Peach Tree Village property; and also, the Trust Fund herein described would have been impossible.

> *"There's a divinity that shapes our ends,*
> *Rough-hew them how we will."*

I enter the year in my usual excellent health and in a spirit of great optimism. I think that by the end of the year I will have my financial house in good order, and that the Texas Steel Company and my plantations will be on good, solid foundations. I hope still to be able to render some public service. My plans in that respect are immature and will depend to some extent upon future developments. I will likely write another book on the money question, and I may make some radio speeches in opposition to the centralization and socialization of our National Government.

[illegible] that the company and not I [illegible] pay the [illegible] the [illegible].

The [illegible] of the [illegible] would have been [illegible] if the [illegible] Steel Company had in good faith carried out its contract of purchase instead of trying to destroy the Texas Steel Company, we would still own it [illegible] now. But if I had not retained the control of the company at the time it was turned over [illegible] [illegible] [illegible]. [illegible] the place of [illegible] would not have been [illegible]. The [illegible] [illegible] [illegible] and then the Texas Steel [illegible] would have been [illegible].

“When you [illegible], then [illegible]
[illegible] [illegible].”

I [illegible] in good [illegible] and in a [illegible] of great [illegible]. I [illegible] that at the end of the year I will [illegible] in good [illegible], and that the Texas Steel Company and the [illegible] will be on a [illegible]. I hope [illegible] to be able to [illegible] [illegible] and will [illegible]. I will [illegible] write another book on the [illegible] [illegible] of the [illegible] of the [illegible] Government.

1937

January 26th, 1938. We are now in the midst of another depression which will eventuate in either a dictatorship or in inflation, and it is now apparent to me that the former is the objective of the Roosevelt Administration. The country was moderately prosperous until the month of October, when, without warning, there was a slump in the stock market followed by a general slump in business, which has nullified all the benefits of the huge spending program of the Government. Approximately twelve million men are again unemployed.

I have written a book upon the "Jew Deal" entitled The *Reign of the Elders*, which will be published shortly. I think this book sets out truly and correctly the forces that rule us, and their evil and ambitious designs. It was written at odd times during our recent trip to Europe and since our return. It has been rather difficult to finish it because of events that have occurred in such rapid succession, confirming my conclusions, and for lack of time. If the book is the success I wish for it, it may be considered my outstanding achievement of the year.

General Statement. I prepared a statement of my assets and liabilities which represents my financial condition as it appears to me at this time. It is based upon property having value, which in turn is based upon a stable government and a stable and fair financial policy. With inflation, these values will be increased; with a dictatorship or war or further deflation, it it impossible to foresee whether anything will have any value.

My statement does not include the stock of the Texas Steel Company now held by my sons, and the bonds of

1937

January 25th, 1938. We are now in the throes of another depression which will culminate in either a dictatorship or in inflation, and it is more apparent to me that the former is the objective of the Roosevelt Administration. The country was reasonably prosperous until the month of October, when, without warning, there was a slump in the stock market followed by a general slump in business, which has resulted in the increase in the relief [illegible] of the Government. Apparently [illegible] [illegible] [illegible] again [illegible].

I have written a book under the title "New Deal" entitled "[illegible] of the [illegible]," which I will be publishing shortly. I think the book will [illegible] and [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]. It was written at odd times during [illegible] [illegible] [illegible] and [illegible] [illegible]. It [illegible] [illegible] [illegible] it because of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] and the lack of time. If the book is [illegible] I [illegible] [illegible] it may be considered the outstanding achievement of the year.

[illegible] [illegible]. I [illegible] a [illegible] of the [illegible] and [illegible] [illegible] [illegible] my [illegible] [illegible] [illegible] [illegible] [illegible] this year. It is based upon [illegible] [illegible], [illegible] [illegible] [illegible] is based upon a [illegible] [illegible] and a [illegible] [illegible] [illegible]. With [illegible] [illegible] [illegible] [illegible], [illegible] a [illegible] or [illegible] [illegible], it is impossible to know whether anything will have any value.

My statement does not include my work at the Texas Steel Company [illegible] [illegible] [illegible] and the [illegible] of the Texas Steel Company given to the Trust Fund, which are as follows:

1,000 shares, Texas Steel Company stock now held by A. J. Armstrong	Par $100,000
1,000 shares, Texas Steel Company stock held by Geo. W. Armstrong, Jr.,	Par $100,000
Texas Steel Company Bonds with accrued interest, given to the Geo. W. & Mary C. Armstrong Trust	Par and Interest $200,000

TEXAS STEEL COMPANY. The company had a record year. We had, on the whole, a stable and satisfactory market for our products, and have had no further price cutting as far as I know, on the part of Laclede Steel Company. My forecast of last year upon this subject was substantially confirmed by events. Failing to reach a settlement of our damages, the Texas Steel Company filed suit against Laclede for the penalties prescribed by the Clayton Act, which suit is now pending. They are employing their usual dilatory pleas and delay tactics.

We have organized a new company—the *Texasteel Manufacturing Company*—to take over the Oil Well Supply department of the Mill, and have conveyed to it all of the current assets belonging to that department together with the land and buildings used by it, in payment of its capital stock aggregating $300,000. Allen will be in charge of this new company, and George and his organization will continue to manage the Texas Steel Company.

LAWSUITS. I have ceased to try lawsuits for the following reasons: (1) I am now able to employ lawyers; (2) I become intensely interested in my cases, believe in them, and feel great disappointment when I lose; and (3) I have lost confidence in the integrity of the courts.

the Texas Steel Company gives to the Trust Fund which are as follows:

1,000 shares Texas Steel Company stock
now held by A. J. Armstrong [illegible] To [illegible]

1,000 shares Texas Steel Company stock
held by Geo. W. Armstrong, Jr. To [illegible]

Texas Steel Company Bonds
with accrued interest, given to the
Geo. W. [illegible] Armstrong Trust
[illegible]

Texas Steel Company. The company had a record [illegible]

We have organized a new company [illegible]

Lastly, I have [illegible] for the following reasons: (1) [illegible] (2) [illegible] and (3) [illegible]

Fortunately, I am in financial position to stand the losses, and am philosopher enough to take them without grief and with only a passing feeling of resentment.

I compromised the controversy with the United States Revenue Department in which this Department sought to set aside my purchase of the bonds of the Texas Steel Company and to hold the company liable for an income tax on the profit made by me in the purchase of the bonds. Under the terms of the compromise, I agreed on behalf of the company to the disallowance as a deduction, of $30,000 of the fee paid me in the case of Texas Steel Company vs. Sheffield and Laclede Steel Companies, despite the fact that I had paid an income tax on the entire $40,000. The Federal Government thereby collects the tax twice on this $30,000 and there appears to be nothing to do except to follow the example of Br'er Terrapin when Br'er Fox set the grass on fire, viz., "to back up agin the fence and sot and took it."

Mississippi Property. The new Homochitto Drainage District has complied with all of the Government's requirements, and contract will be let shortly by the Mississippi River Commission for dredging the canal from the lower end of the Armstrong Canal to Fatherees Ditch. I have built several new tenant houses; and have taken over the farming of the Ivanhoe plantation primarily to get new land that has been previously subject to overflow, cleared and put in cultivation quickly. I expect to rent out Ivanhoe next year and to transfer my farming operations to new land on Shieldsboro and in the Homochitto valley.

European Trip. For many years I have wanted to go abroad, and this year concluded that we could afford to do so if I could get my affairs in shape to be away the necessary time. Our plans made accordingly, my wife Mary and I left home in June. We sailed from New

York early in July on the S. S. Samaria, and had a smooth crossing. During our three months' stay we went over a lot of country that was more or less interesting, and I think got a pretty good glimpse of a good deal of Europe,— visiting eleven countries. However, this foreign travel is not what it is "cracked up to be." It has cured me of some of the wanderlust that has been in my system for a long time. We were glad to get back to Woodstock. Really, I think it is the prettiest and most delightful place to be found anywhere. I admit that my vision may be colored by my interest.

Conclusion. On the whole the past year has been the best year of my life. I have substantially met the forecasts made in my review of January 5th, 1937. It is a matter of great satisfaction to me that my two boys, who are now in the full vigour of their early manhood, are at the head of two prosperous and promising companies, each drawing a good salary and each having a 20 per cent interest in both companies. I believe that they are both now firmly planted on the road to fortune and to usefulness.

I am in splendid health and enjoying my usual optimism. Despite the depression and the political situation, I believe that 1938 will be a better year than the last; both for the Texas Steel Company and myself. It is my purpose to clean up all of my debts this year, except the Alliance Trust Company, W. M. Bell, and Federal Land Bank. I bought the properties for which I executed notes to Bell and the Federal Land Bank, with the expectation that the income from them would pay my notes as they mature, and I intend to handle them accordingly. The Alliance Trust Company having refused my very reasonable offer of settlement, I shall fight this case to a finish, hoping that if I lose, the burden of payment will not be so great as it would be at this time.

1938

February 4th, 1939. I appear to get busier as the years go by, instead of lightening up. I have been too busy to get around to this statement until today, and even now I can not write it as leisurely as I'd like to do.

The past year has been comparatively a negative one. I bought nothing, sold nothing, and have done nothing of consequence. I planned to take some part in politics in the last campaign, at least to the extent of making a few radio speeches, but when the time came for action I had neither the disposition nor the time to do so.

The people are becoming thoroughly demoralized, and one man can make but little impression, much less stem the tide. It looks like everybody wants to get on the Government payroll in one way or another. O'Daniel was elected Governor of Texas with his fiddle and banjo and hillbilly songs, and the promise of $30 per month to everybody over sixty years of age; but there are three things in his favor that most politicians do not possess: (1) he has courage; (2) he is honest; (3) he has real sympathy for the unfortunate. The national election was controlled largely by the lavish use of either Government relief funds or private funds.

TEXAS STEEL COMPANY. The development and earnings of the company have fallen far below my expectations. It has, however, a backlog of 7,000 tons which insures profitable operation for the next six months.

MISSISSIPPI. I have made considerable progress in clearing up new land. When the job is completed I will get in this year about 300 acres of new valley land, fertile and well drained. I have planted Austrian peas for fertilizing 500 acres, which necessitated the fencing of the

[illegible]

The past year has been [illegible]

The [illegible]

[illegible]

Meanwhile I have made considerable progress [illegible] up new land. When the job is completed I will [illegible] farms where the peas were planted; have run a fence along the east boundary line of my land in the St. Catherine Creek valley about seven miles long, in order to protect my tenants' crops from the hill cattle; have planted 100 acres in oats which soon will be sown to lespedeza, and some additional acreage in alfalfa.

The year has been one of considerable harassment because of Government regimentation of the farmer. The crop was a very short one, of both corn and cotton, because of excessive rains during the summer.

Many of my tenants were not able to pay the advances made to them, much less pay rent, with the result that I have had to take up about $5,000 of their notes and also to cancel a large part of their rents.

I have employed Mr. M. E. Berryhill as general farm manager. My tenant houses are all full except some houses that have been recently vacated on my Rucker plantation. I am planning to do considerable farming during the coming year.

The Morganza Cut-Off of the Mississippi River is now under construction, which, when completed (within probably two years) should reclaim from overflow the greater part of my Mississippi valley land.

THE *Reign of the Elders.* I published this book anonymously last year. It had a very limited circulation. I sent complimentary copies to members of Congress and others. The criticism of it has been favorable—the most adverse being the fact that it was published anonymously. I intend to publish an addendum to this book within the next few months. While the distribution of the book will probably continue to be limited, I prefer to remain unknown as the author, for I am not courting reprisals or martyrdom.

Conclusion. I continue in excellent health, and continue to be an optimist. I do not believe that this country will be sovietized, despite the powerful forces that are working to that end. I believe also that the next year will put my affairs in excellent shape, and that thereafter I will have more leisure to do the things I like to do, which I have not had during the past year.

1939

December 31st, 1939. The past year has been another busy and uneventful year. It has been one of the busiest of my life. I have changed my method of farming from that of a landlord to that of an "honest-to-goodness dirt farmer," and have been on the job the entire year without a vacation.

General conditions have been exceedingly bad despite the pretensions and promises of the "Jew Deal." There are still approximately ten million unemployed, with about half of them on the dole, or virtually so; taxes are so high that they have suppressed new industries and are stifling existing ones. The worst of it is that the people appear to be becoming reconciled to these abnormal conditions and to the open, flagrant violation of law and of our Federal Constitution by the National Administration.

THE *Reign of the Elders.* During the year I wrote a second volume of The *Reign of the Elders* under the *nom de plume* "Siward." It was written rather hastily, while Congress was in session, in order to bring to the attention of Congress the UnAmerican forces that are behind the various New Deal measures, and in the hope that it would have some influence in defeating them. This book was distributed free by Mr. James True, a patriot, of Washington, to all members of Congress except the Jews and pro-Jews. Some of the proposed "Jew Deal" measures were defeated. I do not know with certainty whether the book contributed to their defeat, but hope and believe it may have done so.

The most vicious and destructive of these Zionist Jewish schemes was the effort to repeal the Neutrality Act and to involve us in the present European war. The President has not disguised his sympathy with Britain

and France, and his desire to join them; he may yet do so, but up to this time his plans have been thwarted. Part II of The *Reign of the Elders* was a clear and powerful exposure of his evil purposes and was entitled to have great weight with all thinking, patriotic men.

At the moment the President is seeking to pose as the leader in a movement for peace, and to that end has appointed Myron C. Taylor as his special envoy to the Pope of Rome, in open violation of the traditions and policy of our Government for almost a century. He addressed himself to Rabbi Cyrus Adler, leader of the Jewish church, and to Dr. George A. Buttrick, President of the Federal Council of Churches, ostensibly a Protestant organization, and sought their co-operation for peace. At the moment also he is playing "hide and seek" about running for a third term for the presidency, and that question has been given great prominence by the Jewish press. It is truly predicted in the press that if we get into war he will be drafted for the presidency, for he will draft himself, and then it will be goodbye to our Constitutional form of government.

I am sorely tempted to re-write The *Reign of the Elders*, condensing it into one volume and bringing it down to date, and to write it over my own name. Its prestige and circulation must be less, written as it is under a *nom de plume*, than it would be over the signature of some responsible person; but I am fully aware of the risk I would take in doing so. The publication and distribution of the two volumes have cost me more than $1,000. But they were not written in the hope of reward, or of fame; indeed, there could be no profit without selling the book (which I have not done except at cost when ordered in quantities), and no fame unless I am recognized as its author.

and France, and his desire to [illegible], as only you do so, but up to the time he could have been [illegible] than it is. The Reign of the Popes was a dark and mournful [illegible] of [illegible] and [illegible] great [illegible] with all [illegible].

And the moment the [illegible] the [illegible] appointed [illegible] of Rome, [illegible] policy [illegible] the [illegible] College [illegible] Protestant organizations [illegible] the President [illegible]. It is [illegible] the [illegible] to our Constitutional form of government.

I was early [illegible] in [illegible]. The [illegible] of the [illegible] down [illegible] and [illegible] order [illegible] of [illegible] of [illegible] and [illegible] of the [illegible] than $1,000. [illegible] the book which I [illegible] as the author.

Woodstock Plantation. Promptly following the payment of the lien against Woodstock, I conveyed it to my wife Mary in appreciation of her devotion to me and to our home.

Mineral Estate. During the year I conveyed a 10 per cent interest in the minerals in most of my Mississippi properties to each of my two sons, my wife, and the Geo. W. & Mary C. Armstrong Trust. The properties were undeveloped and therefore the consideration was nominal.

Conclusion. I am now approaching my seventy-fourth year and am still busy, healthy, optimistic and happy. It will be my endeavor during the coming year to shift more of my responsibilities and to take things a little easier. While I do not yet feel my age, I must recognize that the years are there and I must have some respect for them.

1940

December 26th, 1940. The past year has been another busy one. Again I have been on the job the entire year without a vacation. I have farmed approximately 1,000 acres and have made considerable progress in developing my properties, despite the unfavorable crop season.

General conditions have continued bad. The market for all farm products has been fixed by the Government loan value, which has been around 9½ cents for cotton, 60 cents for corn, and 30 cents for oats. There are still approximately ten million men unemployed. The national debt has been increased approximately 25 billion dollars during the past year, of which 15 billion has been for alleged national defense. The income tax rate has been materially broadened and increased, with the certainty of still further increases. About a million men have already been drafted for war, with the probability that during the coming year we will be actively in the war and another million men or more will be drafted.

Presidential Election. The "power behind the throne" succeeded in bringing about the nomination and election of Franklin D. Roosevelt for a third term. The Republican National Convention was stampeded for one of their stooges, a "dark horse" candidate, Wendell Willkie. Promptly after his nomination Mr. Willkie shocked the Republicans and the country by proclaiming that he stood for extending aid to the British Empire short of war, and for all of the policies of the New Deal. The only issue in the campaign was which candidate would best administer the program initiated by Mr. Roosevelt. This, despite the fact that a great majority of the people of the country are tired of the New Deal, want to return to

Constitutional Government, were opposed to the draft and to increasing debt and taxes, and to the extent of "all aid to Britain short of war." The truth is, this Administration no longer pretends to be neutral and we have actually entered the war; the only two things lacking are a declaration of war, and sending our battleships and soldiers to foreign shores.

THE *Rothschild Money Trust.* There was some delay in the publication of my new book, The *Rothschild Money Trust*, with the result that it could not be distributed prior to the virtual adjournment of Congress and prior to the presidential election. A few copies have been distributed to friends and to people known to be keenly interested in the subject. So far the reviews and criticism have been most favorable. There has been no adverse comment, which leads me to believe that I have been accurate in my statement of the facts, correct in my conclusions based on them, and that I have written a worth while book. With a little publicity I believe it would be widely read, but I think this Administration is so thoroughly organized and intrenched that I would bring upon myself and my family its vindictive reprisal without accomplishing much good. I am unwilling to make a martyr of myself and have therefore concluded not to undertake general distribution of the book at this time. I hope and believe that conditions will be created whereby the volume may be of some public service, and that I shall be justified in giving it the widest possible circulation.

TEXAS STEEL COMPANY. We expect soon to let a contract for a pattern shop, and plan to install an electric furnace during the early part of 1941. We hope that conditions will justify our replacing our old buildings and rehabilitating the Mill in such way as to materially increase our volume of production and reduce our cost of operation.

Texasteel Manufacturing Company. This company lost money during the entire year due to conditions prevailing in the oil industry, a limited volume of business, and price cutting upon the part of some of its leading competitors. It became evident that the Bethlehem Steel Company and Oil Well Supply Company were out to eliminate competition and probably to suppress us before we got a firm foothold in the business. Consequently we sued them for the penalties provided by the Clayton Act. The suit was settled in November by the payment to us of $85,000 damages.

We have obtained a shell contract from the National Government, and the prospects are that this company's earnings during 1941 will exceed those of the Texas Steel Company. The Government extends favorable terms for financing these contracts in order to make them as attractive as possible to industry. It is financing the construction of new plants for National Defense, which includes steel mills. It has already provided for one in Brazil to be operated by the U. S. Steel Corporation, and one on the west coast to be operated by Bethlehem Steel Company.

Mississippi. During the past year we have had the worst cotton crop in the history of the country. While I had both a good corn and oat crop I only succeeded in gathering about one-third of my oat crop on account of the unusually wet spring. As a result of the approximately 500 acres of new land that I put in cultivation during the past year, my cotton allotment has been increased in the three counties (Adams, Jefferson and Wilkinson) to about 1,100 acres. Practically all of my tenants have planted their cotton acreage in Austrian winter peas which will be turned under as fertilizer. This is in compliance with Government soil conservation regulations. I have built a good machinery barn at my

The Ideal Manufacturing Company. The company lost money during the year [illegible] previously. [illegible] the oil industry [illegible] volume of business, and [illegible] of some of its leading competitors. It became evident that the [illegible] Company and the Wire Supply Company were [illegible] organizations and [illegible] to [illegible] of the [illegible]. Consequently we sued them for the penalties provided by the Clayton Act. The suit was settled [illegible] for the payment to us of $67,000 damages.

We have adopted [illegible] Government had [illegible] the company's [illegible] the [illegible] Steel Company. [illegible] Government [illegible] the [illegible] of [illegible] National [illegible] by the U.S. Steel Corporation and [illegible] by [illegible] Steel Company.

Allotments. During the past year we have had the [illegible] in the history of the country. [illegible] I had had a good [illegible] and [illegible] in [illegible] of [illegible] in the [illegible] and spring. As a result of the [illegible] during the past year, [illegible] has been [illegible] to the [illegible] and [illegible] acres. [illegible] of my [illegible] wheat [illegible] will be [illegible]. The [illegible] with [illegible] and [illegible] regulations? I have had a good [illegible] headquarters and a general barn at my Lakeholm plantation. Since the work by the Mississippi River Commission last year in opening up the Homochitto River, it is rapidly scouring itself out from Rosetta to its mouth. Much of my valley land has already been reclaimed and I am now clearing up with my bulldozer that part of it between the old Lower Woodville Road and new Highway 61, and hope to get 100 acres or more of it planted in corn during the year.

Conclusion. Within a month from today I will be seventy-five years of age. I am feeling fit and fine, and as far as I can see I have deteriorated but little within the past forty years. I look back over the past fifty-four years of effort with a great deal of satisfaction. I have had good health during practically this entire period of time, have enjoyed life and feel that I have contributed to the happiness of others less fortunate, and have lived on the whole a worth while life. I have reared two fine, capable boys who are now carrying out my plans with energy and enthusiasm.

1941

January 10th, 1942. General conditions have continued bad, except that there has been an increase in the price of farm products. Cotton has advanced to 17 cents, corn to 75 cents, oats to 50 cents, and soybeans to $1.75; but my entire crop has been very poor.

WAR. My last year's forecast reads like words of prophecy. We are at war, as predicted. Japan apparently wanted to avoid war with us. She sent envoys to our Government to negotiate a treaty that would recognize her position in Asia. She sought to negotiate peace upon the basis of applying the Monroe Doctrine in Asia—leaving Asia to the Asiatics. President Roosevelt and Secretary Hull not only denied this aspiration but demanded of Japan that she lay down arms in her war with China, which she refused to do. They of course knew in advance that Japan would reject this demand. It was no doubt made for the obvious purpose of provoking Japan to war, and unifying the American people for war. War was not only declared pending these negotiations, but our Pacific fleet and air force, and the British Pacific fleet and air force, were practically put out of action at Pearl Harbor, December 7th, by two hours of air attack by Japan. At this time it is impossible to state the extent of our losses in men and ships, but they were sufficient to leave Japan in command of the Pacific and Indian Oceans. Hongkong and Wake and Guam and Manila have fallen, and we are fighting a losing war in the mountains of the Philippines; and the British are fighting a losing one in the Malay Peninsula. It is apparent that both the Philippines and Singapore will soon be conquered.

Warmongers. My estimates of Willkie and the Republican party have been confirmed. It is now apparent that the Republican party is as completely controlled by the Jews as is the Democratic party. The Republican and Democratic parties, the Administration, the press, the movies, and the financial interests of the country are now whooping up war with their lies and their ballyhoo, and endeavoring to create war sentiment. In his message to the Congress which convened a few days ago, President Roosevelt proclaimed that we would send our men to fight on all the seas and in all the countries of the world. This necessarily means a very destructive war, and finally defeat so far as accomplishing the ostensible ends for which we are fighting, as proclaimed in the joint declaration of Roosevelt and Churchill. It is utterly impossible for us to conquer Europe and Asia, to restore the governments of the world—and the Jew to his former station in those governments—and preserve the British Empire. It, together with its Jewish rulers, is doomed. The objective of the warmongers appears to be to *unite the Americas with the British Empire*, and to preserve that Empire and the power of the Jew under their "Union Now" program, with the manhood and economic power of the United States.

Texas Steel Company. The company's earnings the past year exceeded those of the Manufacturing Company, contrary to my prediction. It has spent more than $200,000 in plant improvements, which consist of rebuilding its mill building, building a modern pattern and storage shop, adding one 4½ ton electric furnace, and enlarging the furnace building. I anticipate that our profits during 1942 will exceed those of 1941.

The Roosevelt Administration is hell-bent on socializing America, and as a means to that end, on organizing

the laborer and the farmer. The result has been that the labor organizers have been very busy and the labor organizations have grown with great rapidity and have become very powerful, both politically and financially. The C.I.O. attempted to organize our laborers, and succeeded in obtaining a majority vote of the foundry and furnace men. They appointed committees to negotiate a contract with us, and apparently these committees were ready to make very reasonable concessions in order to obtain a foothold in our plant. An agreement was finally reached that was satisfactory to George Jr., and our attorney, Ogden K. Shannon, Jr., which, in spite of their earnest recommendations, I refused to sign. While I had some reasonable ground for this refusal, and was willing to "go to the mat" with the National Labor Relations Board, I confess that my refusal was based largely on my hunch, which has so often guided me in difficult situations. After first threatening us with charges of unfair labor practices, the N.L.R.B. finally dismissed the case, and we have thus escaped the C.I.O., for the time being, at least.

PORT ARTHUR STEEL PLANT. The Texasteel Manufacturing Company made contracts with the Navy Ordnance Department for 5 and 6 inch shells, and with the Army Ordnance Department for 105 millimeter shells, which we can not make at Fort Worth for the reason that the Texas Steel Company can not make the required size of steel bars, nor have we the equipment to make the shells. In order to fill these contracts it is necessary for us to build a new and larger mill. Our contracts called for early delivery which made it necessary to get this mill in operation quickly. We therefore borrowed from the Navy $585,000 upon a surety bond against one of our Navy contracts, and invested the proceeds in good used equipment. We were fortunate in being able to buy the Army and the Navy. This action has been most dif- ficult [illegible] since [illegible] and [illegible] other organ- izations interested in work [illegible] have [illegible] very concerned, both [illegible]. The C.I.O. [illegible] in obtaining a [illegible] of the [illegible]. They appointed committees [illegible] with us, and apparently these committees [illegible] ready to [illegible] a [illegible] to our plant. [illegible] that was satisfactory [illegible] and our attorneys, [illegible] Simmons [illegible] there I [illegible] ground [illegible] to "go to the [illegible]" [illegible] that [illegible], which [illegible] placed [illegible] difficult situation. [illegible] threatening us with charges of unfair labor practices, [illegible] N.L.R.B. [illegible] the C.I.O. [illegible] at [illegible].

Other Activities during Period. The Technical Mission [illegible] with the Navy [illegible] and with the Army [illegible] Department [illegible], which [illegible] the [illegible] Company [illegible] the [illegible] to make the [illegible] to [illegible] us [illegible] which [illegible] to get [illegible] quickly. We [illegible] the Navy $92,000 upon a [illegible] the Navy [illegible] good and [illegible].

from the Navy Ordnance Department two used 60-ton open hearth furnaces and two 30-ton electric furnaces, and the equipment that goes with them, located at Charleston, W. Va. We bought a 21 inch mill with equipment from the U. S. Steel Corporation at Milwaukee, travelling crane, motors, and other items of equipment from various parties. We obtained enough good used equipment (with the exception of transformers) for a first class mill that will produce about 10,000 tons of steel monthly. For a plant site, we bought 250 acres of land on the Intercoastal Canal near the city of Port Arthur, Texas. The equipment is now assembled on this site, and the foundations for the buildings and the furnaces have been completed, but we haven't sufficient funds to complete the mill. The Navy Ordnance Department is building a forge shop at a cost of $550,000, and the Army Ordnance Department is building one at a cost of $200,000 adjacent to the mill site, to be leased to us, with the expectation that the mill will furnish bars for shells.

We applied to the Reconstruction Finance Corporation for a loan. Pending this application Allen submitted a proposition to the Navy to build the mill for us and to lease it to us. This application was referred to the Office of Production Management (O.P.M.) with the endorsement of both the Navy and Army Ordnance Departments, the O.P.M. approved it, and referred it to the R.F.C. to be financed as a Defense Plants Corporation enterprise. The proposition has now been pending before Government authorities for about sixty days. In the meantime we were compelled to discontinue work on the mill project. We hope to have the Army and Navy forge shops in operation within the next sixty days and to buy the steel bars for them until we can complete from the Navy Ordnance Department were used there, upon [illegible] and then [illegible] electric systems, and the equipment they gave with them, located at [illegible]. We bought a [illegible] mill with equipment from the U. S. Steel Corporation at [illegible] machine tools, testing, and other items of equipment from various sources. We obtained enough good used equipment (with the exception of transformers) for a [illegible] mill and had some [illegible] tons of steel [illegible]. For a plant site we bought [illegible] acres of land on the [illegible] near the city of [illegible]. The equipment has been installed on the site, and the foundations for the buildings and the [illegible] have been [illegible]. We are having a [illegible] to complete the mill. The [illegible] is building a large [illegible] at a cost of [illegible], and the Army Ordnance Department is building one at a cost of [illegible] [illegible].

We applied to the Reconstruction Finance Corporation for a loan. [illegible] After [illegible] the Navy [illegible] to the Office of Production Management (O.P.M.) with the endorsement of both the Navy and Army Ordnance Departments. The O.P.M. approved it and referred it to the R.F.C. [illegible] Defense Plant Corporation [illegible]. We hope to have the Army and Navy [illegible] to help [illegible].

the installation of the mill. The R.F.C. is apparently unfriendly to us. However, I think it likely that we will be able to do some sort of government financing on some basis.

Port Arthur was selected as the site of the new plant because of water transportation, cheap power and fuel, and a comparatively good labor situation. Moreover, there was a splendid location adjoining the city, comprising 1,123 acres of land that we bought at $200 per acre on terms, except the 250 acres for the plant site, for which cash was paid. We preferred to buy land and to establish our own values rather than ask for a bonus, which was offered us at Beaumont and Texas City, and could have been obtained at Port Arthur. We asked nothing except that the county build a shell road to the plant site, and that the city furnish us with utilities and leave us out of the city limits.

Mississippi Property. Despite the fact that we had a crop failure, as above stated, and I have not yet realized anything from my crops of corn and hay, I think my farm operations will show some profit, and that my total net income from all sources for the year will exceed $100,000. I now have about 4,500 acres in cultivation, but will have fewer tenants the coming year than I had in 1941, which means that I will myself do considerable farming. I will probably plant around 2,000 acres in oats, corn, lespedeza, soybeans, vetch and may be some cotton.

The reduction in the number of tenants is due to the fact that I have gotten rid of all of the F.S.A. (Farm Security Administration, or "Resettlement") tenants. When the F.S.A. takes them on they quit work, quit paying rent, and look to the Government for support. I built no new tenant houses during the past year, but the introduction of the year. The N.R.A. is supposedly technically out too. However, I want to know that we will be able to do some sort of government controlling in some form.

They Arthur was selected as one of the early [illegible] [illegible] [illegible] [illegible]. They [illegible] and had [illegible] [illegible] [illegible] [illegible]. Of course, there was a [illegible] [illegible] [illegible] the [illegible] [illegible] [illegible] had that [illegible] [illegible] [illegible] that the [illegible] the good [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] Monument and [illegible] [illegible] They Arthur. [illegible] [illegible] that [illegible] [illegible] of the [illegible] [illegible] [illegible] and [illegible] of the [illegible].

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] and I [illegible].

The [illegible] of the [illegible] [illegible] [illegible] the [illegible] [illegible] [illegible] [illegible] the N.R.A. [illegible] [illegible] [illegible] [illegible] [illegible]. When the N.R.A. [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] have built several miles of road with bridges and culverts, and have cleared and put in cultivation about 400 acres of new land.

Conclusion. My financial situation is better today than at any other period in my life. I have a nice credit balance with the Texas Steel Company and a substantial amount on deposit in bank. I have "laid by my crop." I mean to retire as president of the Texas Steel Company and will be succeeded by George; and as president of the Texasteel Manufacturing Company to be succeeded by Allen, who, when Armstrong & Company is formed, will be its executive manager.

I hope to find time during the coming year to write my memoirs, which may be of interest to my family. They will at least tend to preserve the family history.

I am pleased to say that this retirement, if it may turn out to be such, is not one that has been imposed by considerations of health, but is self-imposed because of a realization that I have been working at high speed during the entire year and that I should slow down. My health is simply superb, and I keenly enjoy every moment of life, including my work.

have been a real sense of [illegible] with [illegible] and relatives and [illegible] one [illegible] of collecting about [illegible] of some sort.

Consequently, [illegible] interest is better [illegible] than at any other period in my life. I have a new [illegible] with the [illegible] Company and I [illegible] to lend. I [illegible] I mean to continue a member of the [illegible] Company and will be [illegible] the [illegible] Company [illegible] ways in my economic interests.

I hope to find time during the coming year to write [illegible], which may be of [illegible]. They will at least [illegible] the family history.

I am pleased to say that [illegible]. It is very [illegible] that has been [illegible] of a [illegible] that I have been [illegible] of high speed during the entire year and that I [illegible]. My health is [illegible] the including my work.

1942

January 4th, 1943. The past year has been rather strenuous, due to the effort of the New Dealers to socialize our Republic, and their interference with our normal activities. The labor situation has been extremely bad, both in factory and farm.

General Conditions. I reluctantly consented to the American Federation of Labor organizing the Texasteel Manufacturing Company's plant at Fort Worth because of our war contracts and the certainty that the National Labor Relations Board would compel us to accept the union, and probably impose upon us more onerous conditions than the union then demanded. The labor situation on the farm has been bad, with the result that I have practically doubled all wages, but the worst of it is the inefficiency of the laborer. They are evidently seeking to enforce city hours, and there is a spirit of indifference, if not antagonism, to the employer. Indeed, communism seems to be in the air.

Everybody has been subjected to the most drastic and unreasonable and contradictory and frustrating regimentation. It now applies to every article of food and apparel. One Leon Henderson was appointed Price Administrator. He has recently resigned but no successor has yet been appointed and he still remains in authority. The country is getting tired of it all and there is now evidence of revolt, even in Congress.

The people are beginning to realize that the prime object of the New Dealers is to destroy our republican form of government and to establish socialism, which they call democracy. The recent national election resulted in a Republican landslide, giving the Democrats a bare

majority in the House, and materially reducing the majority in the Senate. Many of the Southern Democrats have been stirred to revolt by the effort of the New Dealers to impose negro equality upon the people of the South. The prospect is that there will be some coalition between the Republicans and the independent Democrats, and there is therefore hope for the future.

Texas Steel Company. The company has made a very poor showing for the year. It has nevertheless proceeded with its building program and has completed a new building and installed new mills. The airplane factories established in the Southwest require the very highest grade of electric steel, which means heat-treating furnaces in order to supply this demand. We accordingly applied to the Reconstruction Finance Corporation whose duty it is to finance projects of this character, and our application was rejected. We thereupon applied to the Smaller War Plants Corporation for the loan, which application is now pending.

Texasteel Manufacturing Company. This company's *Fort Worth plant* has had very satisfactory earnings. It has paid off its R.F.C. loan and invested about $300,000 in improvements. It has shell contracts that will insure a substantial profit each month until October, provided our contracts are not cancelled or renegotiated. The Army Ordnance Department cancelled our 60 millimeter contracts and a large part of our 81 millimeter, which materially reduced our earnings during the last sixty days. We have a fair prospect of profitable sucker rod business during the next twelve months.

The Manufacturing Company, at its Port Arthur Navy Forge Shop, is now about ready for operation. It was found that the cost of the forge shops had been grossly under-estimated, with the result that the Navy

Allen and Judge Armstrong
Studying blueprints of the proposed Port Arthur plant

[illegible]
[illegible]
[illegible]

agreed to increase its investment in the plant, upon our agreement to re-pay $400,000 of the amount. I attended a conference with the Navy Ordnance officials in Washington, at which I conditionally agreed that the Texasteel Manufacturing Company would pay that sum towards the completion of the plant.

After making this agreement the Chief of Navy Ordnance imposed the further condition that Allen and I resign our connection with the company and turn it over to the bond company and George to be operated, which we refused to do. We agreed, however, that we would separate the operation of the *Port Arthur* plant from that of the *Fort Worth* plant of the Manufacturing Company, and would turn the Port Arthur plant over to the bond company and George, to be operated; and accordingly that is the situation at this time.

PORT ARTHUR STEEL MILL PROJECT. In the beginning the Army and Navy both appeared to be very much interested in our building a steel mill at Port Arthur for the manufacture of steel for the two forge shops. It was largely because of the proposed steel mill that the Army and Navy decided to build forge shops at Port Arthur. We applied to the R.F.C. for a loan to complete the installation. Pending the application, the R.F.C. sent a representative (formerly connected with a certain New York engineering company) to inspect and report on the proposition. I met him at Port Arthur and was favorably impressed with him. He proposed that we turn the proposition over to the Defense Plants Corporation and that it would reimburse us for our investment, would complete the mill and would lease it to us upon their regular terms, which would be a very much better proposition for us than to complete the building ourselves. He assured us there would be no sort of difficulty if we agreed to increase the investment in the plant upon an agreement to either dispose of the company. I attended a conference with the [illegible] officials in Washington at which I reluctantly agreed that the [illegible] Manufacturing Company would put their own money into the completion of the plant.

Afterward my [illegible] and I [illegible] to [illegible] [illegible] [illegible] and [illegible] [illegible] a way [illegible] [illegible], which [illegible]. We [illegible], however, that we should [illegible] development of the Fort [illegible] plant [illegible] that the Fort Wayne plant of [illegible] Company, and would [illegible] the Fort [illegible] plant [illegible] to the [illegible] and [illegible] to be [illegible]. [illegible] accordingly [illegible] the [illegible] of [illegible].

[illegible] [illegible] [illegible] [illegible], [illegible] the [illegible] [illegible] [illegible] [illegible] to be very [illegible] [illegible] in [illegible] [illegible] [illegible] [illegible] the [illegible] large [illegible]. It [illegible] [illegible] of the [illegible] [illegible] that the [illegible] [illegible] [illegible] [illegible]. We [illegible] [illegible] [illegible] [illegible] the [illegible] [illegible] with a [illegible] New York engineering [illegible] and report on the [illegible]. A [illegible] [illegible] and was [illegible] [illegible] with [illegible]. He [illegible] that [illegible] the [illegible] [illegible] [illegible] that if [illegible] [illegible] would complete the mill and would [illegible] to [illegible] upon their [illegible] [illegible], which would be a very [illegible] [illegible] [illegible] [illegible] to complete the [illegible]. He [illegible] [illegible] [illegible] would be [illegible] of [illegible] if we travelled this route, and suggested changes in the plans calling for an extension of the building, etc. In accordance with his suggestions we promptly proceeded to put in foundations extending the building, which involved considerable expense and also changing the location of the Navy Forge Shop a distance of about 100 feet. The Navy complained bitterly of this change, and because of it subsequently "court-martialed" Allen, as he facetiously termed their treatment of him.

We employed, at a very stiff fee, an engineer who at the time was connected with the New York engineering firm mentioned above, to check over and revise our original steel mill plans, with the very clear understanding that his work would be completed within a week's time in order not to delay construction. About three weeks later he tendered us a plan calling for a *new* steel mill that would use but little, if any, of the equipment we had on hand, would involve an expenditure of about $3,500,000 and one and a half to two years for its erection—which we rejected.

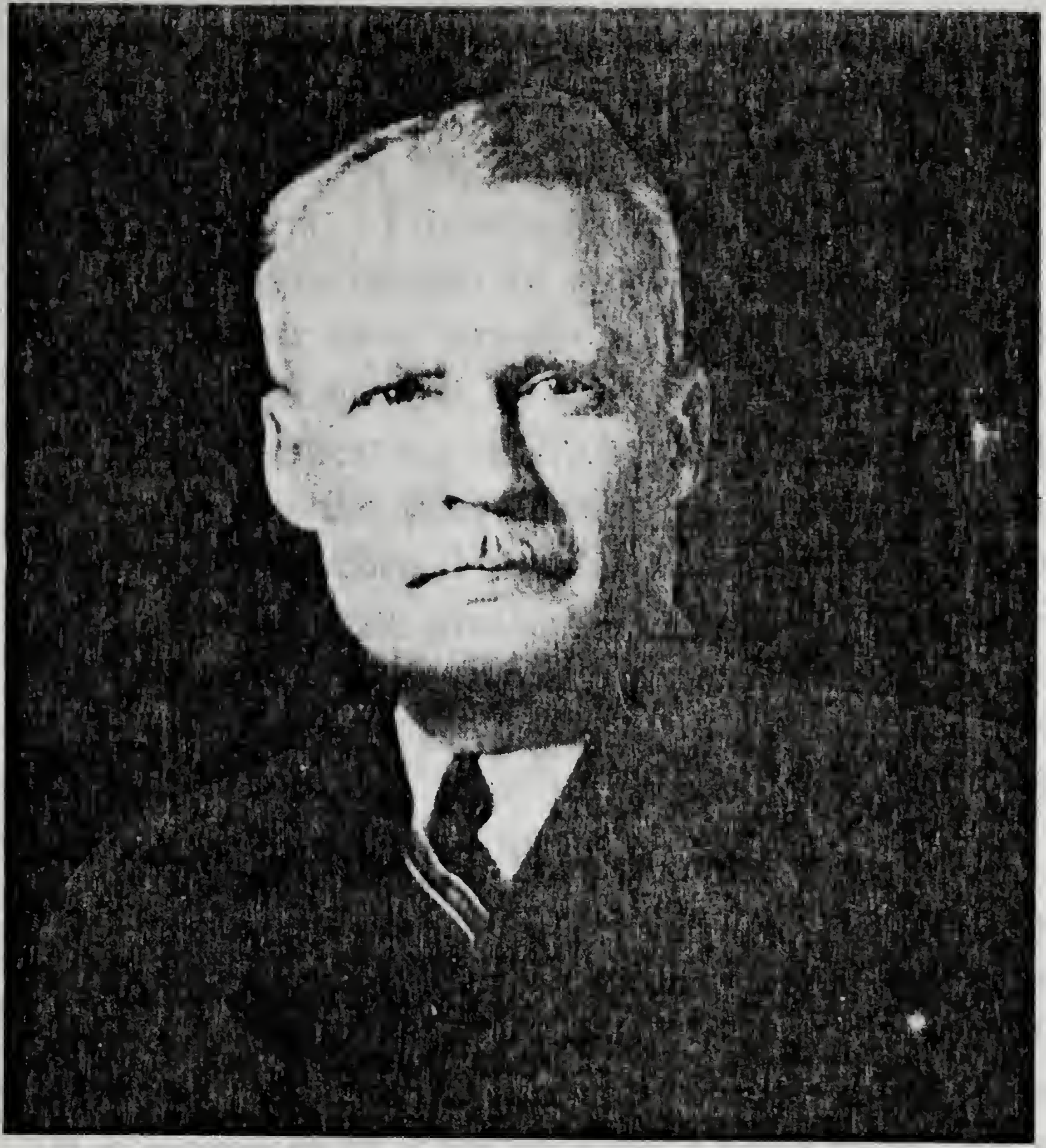
A recent employee of ours who had negotiated for the purchase of the second-hand equipment from the Navy and others, was then in charge of the construction work at Port Arthur. He 'phoned me while I was on a trip to New Orleans, that it was imperative that I go to Port Arthur. Upon my inquiry of the nature of the important business, he informed me that it was necessary to make a change of engineers in order to get the Government to build the steel mill. I stated to him then that I had already told the R.F.C. representative that if the Government desired to make a change of engineers that it would be entirely satisfactory to us, but that we had no just cause to make the change. He said that the Government would not do this, and that it was necessary for us to act.

A few days later I went to Port Arthur to inquire into the matter. He then repeated, with great emphasis, that we would never get the steel mill built unless we discharged the engineering firm that had drawn our original plans and employed the New York firm. I only repeated what I had said to him by 'phone. He asked if I would take a partner in with us on the enterprise. I told him we did not have any partners and did not want any; that I would at least want to know who my partner would be, and asked the name of the proposed partner. He would not say; but undoubtedly it was the —— Steel Company that he had in mind, because that company sent a representative a short time thereafter to Port Arthur to look over the plant, and it was shown in great detail by this employee, without our knowledge or consent.

Subsequently I went to Port Arthur to confront him with these and other disturbing facts I had learned. I arrived in the afternoon; he left that morning. I then dictated an affidavit stating in more detail the facts here related and other facts, a copy of which was sent to the Chief of Navy Ordnance, who, subsequent to this, threatened cancellation of our contracts unless Allen and I resigned our connection with the company, which we refused to do, as stated above.

Allen's position in this entire matter, from beginning to end, has been inspired by patriotism and his desire to be of service to his country.

MISSISSIPPI PROPERTY. I farmed during the past year, about 2,500 acres in corn, cotton, soybeans, and oats; and my tenants cultivated about 2,500 acres. I estimate my receipts from my operations, including timber sales, at about $50,000. I only planted last year about 200 acres of cotton, from which I received about 150 bales, but intend to plant about 500 acres during 1943. My cotton



Allen J. Armstrong

allotment in Adams and Jefferson counties now amounts to 1,291 acres. I have already planted about 200 acres of oats and have a good stand. I plan to plant approximately 1,000 acres in soybeans, 1,000 acres in corn, and to raise and sell about 500 hogs. This will, however, depend upon the season and upon labor conditions. I do not anticipate that I will do much development except ditching and draining.

Lawsuits. I reversed the Alliance Trust Company case and have offered to settle the claim on the basis of paying 6 per cent straight interest. The case will probably be tried again at an early date. I think I have a good chance of defeating it entirely. The offer mentioned is substantially the offer I made some years ago and which I re-affirmed when I was in Scotland in July 1937. If I lose the case, the greater part of it will be interest and will be allowed as a credit upon my income taxes. I have the satisfaction of having made almost enough profit from the property this year to settle the claim, and I have sufficient cash and credit for that purpose.

Plans for 1943. The Pure Oil Company has drilled a well within 200 yards of my Woodyard plantation line, which is thought to be an oil and gas well. They have a fishing job, but apparently it will soon be overcome. If it proves to be a big oil well, I hope to be able to handle my land in such way as to fully realize the advantage of it.

My health is fine. I am still ambitious, and love to work.

1943

January 2nd, 1944. The statement of the general condition of the country contained in my last year's annual review has been confirmed and emphasized during the past year. It is so applicable to the year 1943 that another review would be merely a repetition. It is now clear that the New Deal Administration is out to destroy our republican form of government. The Federal Government, within the past few days, has taken over the railroads rather than increase wages as demanded by the employees, and has made Henry L. Stimson, Secretary of War (and formerly attorney for Kuhn, Loeb & Co.), Director General of the Railroads, and has made the presidents of the various railroads Colonels in the U. S. Army. This for the ostensible purpose of preventing a railroad strike, but it is in fact to nationalize the railroads and to subjugate the employees to Government control. This is only the first step. The next will likely be the steel companies, which will probably be followed by other essential industries. There was no protest upon the part of the railroad owners, and only a feeble one on the part of the employees.

I now regard the failure to build the Port Arthur steel mill as an escape. We would no doubt have had very great difficulty in getting the necessary material, and still greater difficulty in obtaining the labor to build and later to operate the mill. There is no longer any inducement to assume the risk and labor involved in a new enterprise, when, if completed, it will be operated by the labor organizations or the Government; and if successful, the Government will appropriate the greater part of the income, and if a failure, the *entrepreneur* will have all the loss. It was stated in the press that our Government has spent more during the past year than in the former 150 years of its existence.

TEXAS STEEL COMPANY. The company was unable to complete its building program and was seriously cramped during the year for operating capital. The bank refused to extend it further credit which made it necessary for me personally to borrow for it the sum of $50,000 which I agreed might be repaid to me by the company in bonds of that amount, not yet issued. I paid this loan to the bank and borrowed an additional $30,000 for operating purposes, which is now outstanding. The company has lost money practically the entire year, its losses the past six months being heavy. We would have closed down the rolling mill some months ago except for the prospect of selling several thousand tons of reinforcing bars to Mexican steel companies and the Mexican Government. Our State Department and the Board of Economic Warfare have both at least pretended to approve the sale, but the deal is still being held up by somebody in Washington, and Allen and our Mr. Woods have spent the greater part of the holidays there seeking to get approval. If it is approved we will continue to operate the plant, but if it is not the rolling mill will be closed down. We will continue to operate the foundry but it will be impossible for this operation to pay the overhead.

TEXASTEEL MANUFACTURING COMPANY. This company made a profit at *Fort Worth* but sustained losses at *Port Arthur.* I do not personally feel any moral responsibility for the Port Arthur situation, since I was eliminated by agreement of the Navy Ordnance with Seaboard Surety Company from any control. I have not been consulted about its management, and my recommendations have been ignored. It has been managed wholly and exclusively by the Seaboard Surety Company. The fundamental mistake was in discharging our management—lock, stock and

Texas State [illegible]

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barrel. Not a single employee was left in the organization; even the stenographers were discharged and replaced with others. Now that the Port Arthur plant has sustained heavy losses the Seaboard seeks to place the load on me, which may result in litigation.

Mississippi Plantations. The cotton and corn crops were partial failures due to the flood waters of the Mississippi River which destroyed about half the acreage planted, after the crops were worked out and the cotton stalks loaded with squares. My timber sales continued good, at a substantial increase in prices. Due to the fact that my farm equipment is run down and the price of labor has advanced about 100 per cent and the quality decreased about 50 per cent, I will probably not be able to get all of my land in cultivation, but will do the best I can with the tools at hand. I have realized a substantial sum from the sale of oil leases and royalties. My principal leases have been to the Ohio Oil Company which is now making a geophysical survey of my Sligo plantation. I think that the Pure Oil Company will drill on my Woodyard plantation during the next few months. The negro trespassers on my Rucker-Hurricane plantations have made a lease to a man by the name of Norsworthy, which may require a suit to clear up the title.

Cranfield Purchase. Having information that The California Company planned to drill a well, probably on the "Triangle Ranch" property (consisting of the Cranfield, Sandy Creek, Riley Tract, Mt. Welcome and Sunnyside plantations), I contracted to buy it from E. R. Ratcliff (the National Gasoline Company) at $10 per acre—$25,400; one-fifth cash, the balance on terms, with one-half the mineral rights. Shortly thereafter I proposed to take my two nephews, Y. Q. McCammon and Ramsey C. Armstrong, III, in on the deal. The California well was drilled on the Sandy Creek 965 acre tract. We have board. Where single employee was left on the organization, even the stenographers were discharged and replaced with others. [illegible] which may result in disaster.

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sold half of our royalty in this tract and one-fourth in the Mt. Welcome and Sunnyside tracts for enough to pay for the land, with a nice profit to each of us. Well No. 1 on the tract is producing about 150 barrels of high grade oil from the Wilcox sand at a depth of about 5500 feet. Well No. 2 was completed at a depth of about 10,400 feet and is reported to have about 47 feet of productive sand. It is an excellent well. A rig is now being set up for Well No. 3 on this tract.

THE *Corruption of America.* This one hundred page pamphlet, published anonymously, is my contribution to the public welfare; it has had very limited distribution. It was barred from the mails. Prior thereto copies had been mailed to members of the United States Senate, but not to the House of Representatives. I have reason to believe that it was responsible for the Senate resolution extending for six months the period of limitation for the trial of Admiral Kimmel and General Short, with the threat that if they were not tried that Knox and Stimson would be impeached. It is, to say the least of it, a remarkable coincidence that after two years delay, and on the very last day that the statute of limitation would have run, that this demand for a prompt trial was made. In this pamphlet I petitioned the Congress to investigate the Pearl Harbor disaster *now*, when the disclosure of such investigation might be advantageous, and not after the war. The House passed a resolution extending the period of limitation for one year after the conclusion of the war with Japan; it was amended in the Senate in accordance with my petition, the amendment was accepted by the House, and the resolution was passed accordingly.

INDICTMENT OF *Alleged* ANTI-SEMITICS. United States Attorney General Biddle has brought about two indictments in Washington, D.C., of thirty-four people charged with anti-Semitism prior to our entry into the

war, both of which have been dismissed. It has been stated in the press that a third indictment would be handed down soon. I probably escaped only because my book, The *Rothschild Money Trust*, was published anonymously. Agents of the Federal Bureau of Investigation have been exceedingly active in their efforts to prove that I am the author of the book. They attempted to "bulldoze" the agent who, prior to our entry into the war, had made a limited distribution of the book at my request; and also to intimidate relatives of the book distributor.

I have myself had several calls from F.B.I. Agents. I construed the last visit (September 23rd, 1943, at Woodstock) as being in the nature of a threat, since the Agent referred to the fact that my companies are manufacturing shells for the Government, and to other matters that indicated that the Government could injure me. He assured me that the Government did not intend to prosecute me, and upon that assurance asked me to state whether or not I was the author of The *Rothschild Money Trust*, which I refused to do. He then said that they knew I was, and knew where the book was published; to which I replied that if they knew that much they did not need my admission. I am proud of these books but I do not intend to help the F.B.I. make out a case against me or anyone else for writing the truth. I do not wish to be persecuted; and in fact there is danger of assassination. What a travesty on the "Atlantic Charter" and the alleged "Four Freedoms"!

FUTURE PLANS. My future plans are very uncertain, due to the very uncertain times. If my finances will permit, I may take an active part in the approaching presidential campaign. I am in splendid physical and mental condition. I do not feel the years of my age, but I know they are there, and that I should limit my activities accordingly.

1944

February 10th, 1945. I haven't had a favorable opportunity to write my annual statement until now. This has been principally due to the fact that I have been deeply absorbed in the litigation growing out of the Seaboard Surety Company's operation of the Port Arthur plant of the Texasteel Manufacturing Company.

POLITICAL SITUATION. Conditions have grown steadliy worse during the entire year. I took some part in the Texas campaign against the Roosevelt Administration, but not as much as I planned to do. I was a delegate to the County and State Democratic Conventions, and contributed some money and several newspaper articles to the State campaign of the "Texas Regulars." I contributed nothing in the way of publishing or distributing books or pamphlets. No one can now tell the truth about the New Deal Administration without incurring the risk of both prosecution and persecution. Roosevelt was reelected as a result of the active support of the C.I.O. and its Political Action Committee, and due to the fact that there was no real opposition to his Administration—the Republicans having in substance adopted his program. There are at last some signs of revolt upon the part of Congress and the people. By executive order the President took over the stores of Montgomery Ward & Co., in seven cities; his action, however, has been held to be illegal by U. S. District Judge Sullivan of Chicago, and the decision has been appealed by the Government. People are beginning to wake up at last to the fact that it is the plan of this Administration to socialize America.

TEXAS STEEL COMPANY. The company had a better year than anticipated. We concluded a loan with the Smaller War Plants Corporation for about $300,000, of

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[illegible]

[illegible]

George W. Armstrong, Jr.

which one third was for operating capital and the balance for improvements. In order to obtain the loan it was necessary for me to subscribe for $115,000 of Texas Steel Company bonds, and to make all of my bonds ($250,000) subordinate to the loan. I also assumed $170,000 of the company's debt to the bank, secured by an income tax refund claim against the Government. The company is now operating at a very small profit, due to low prices. Its bar business is export business to Mexico and to South American countries. As a result of the Navy's "blacklist" (herein referred to), Allen took a trip to Mexico, and while there secured enough business to enable the Texas Steel Company to make a small profit during the year. He returned in time to secure a "Necessity Certificate" for the Texas Steel Company's improvements, after it had been rejected.

Texasteel Manufacturing Company. The *Fort Worth* division of this company made a profit during the year of about $170,000 and has an Army contract (at Fort Worth) for 81 millimeter shells upon which it should make a very substantial profit. It sustained a heavy loss at Port Arthur. We deny that the Port Arthur management was our management and that its losses are ours.

Seaboard Surety Company Case. The Seaboard continued to operate the Port Arthur plant of the Manufacturing Company through the "Management Committee" at great loss, about $400,000. It finally *requested Allen to resume the management*, which he agreed to do, with the consent of the Navy. A conference was held by him with the representatives of the Navy and Seaboard in Washington on July 29th, 1944, at which it was agreed that Allen and R. C. Armstrong, III, would manage the Port Arthur plant and the Navy Bureau would grant a ninety day moratorium in the collection of the 30 per

cent being withheld on payment for shells. The attorney for the Seaboard assisted the attorney for the Navy Bureau in drafting the memo of agreement. He caused to be inserted a condition that imposed the losses of the Surety Company's incompetent management on the Manufacturing Company. I refused to accept the moratorium on this condition, whereupon the Seaboard refused to further finance the operation and filed bankruptcy proceedings against the company. It pretended that the proceeding was friendly and for the purpose of enabling it to do the required financing, and we thus consented to it.

The case is pending. While we have been badly imposed upon I am disposed to settle if we can do so to our advantage. We should be able to get a settlement of our just claim against the Government for losses on account of the Port Arthur steel mill project and shell plant, and to re-organize the corporation into a partnership. If so, the result will probably be better than if we had built the steel mill, in view of the labor situation and the income tax law which was enacted after we had begun the steel mill enterprise.

This venture has enabled me to take the measure of my two boys.

Mississippi Plantations. I have made money from oil and timber, but lost it farming. I had a fair crop of corn and cotton in the Homochitto valley, but harvested no hay, soybeans or oats. The crop was a very expensive one to make and harvest, due to inefficient and expensive labor, and run-down equipment.

Prospective Oil Development. The Pure Oil Company has recently brought in a distillate well on the McDowell tract adjoining my Woodyard plantation, and the gas from it is being sold to the gas line. This practically assures a well upon Woodyard during the coming

year, since I am entitled to an offset and own more than one-half of the Pure's acreage block. I have leased 5,200 acres of my land on the Homochitto River. The California Company will soon drill a well near my Moss Grove plantation which it has under lease. It has five rigs now drilling upon its block of about 15,000 acres, and will probably drill on Moss Grove (1300 acres) or Rucker (1600 acres), or both, during the year. We sold during the year, 40 acres of royalty out of the Cranfield tract, at $1,500 an acre.

PLANS FOR THE FUTURE. I haven't any very definite plans for the coming year. My health is excellent, but I am now seventy-nine years of age and I must have some respect for the calendar. I recognize that I am at an age when men usually deteriorate both physically and mentally, and that I can not hope to be an exception for a long period of time. I shall endeavor to adjust my activities to my age and to my situation. There is no need for any special exertion on my part for either money or fame, for I have all the money in prospect that I will need, and do not care about publicity. The prospects are that I will receive considerable money from the sale of royalty and leases as a result of the development of my property for oil. I hope to be able to take over the assets of the Texasteel Manufacturing Company as a partnership composed of my sons, my wife and myself, and to clear the docket of lawsuits.

1945

January 4th, 1946. Shortly before the conclusion of the second world war President Franklin D. Roosevelt died and was succeeded by Vice President Harry Truman who has continued Roosevelt's program.

General Conditions. It is now reasonably clear that the Bretton Woods, United Nations, and other international conferences held during the early part of 1945 were all in pursuance of the plan for creating a World Government. Congress is now investigating the Pearl Harbor catastrophe, with leading Democrats apparently attempting to obstruct the investigation and obscure and cover up the truth. This investigation will undoubtedly confirm the truth as revealed in my recent book, The *March of Bolshevism.*

While President Truman appears to be some improvement over Roosevelt, he has in the main followed Roosevelt's program. He got rid of Morgenthau but adopted his so-called peace plan at the Pottsdam conference. He has adopted the C.I.O. program in his dealings with labor. He advocates huge British and other foreign loans, the United Nations Organization, the Bretton Woods agreement, etc. The outlook for our Republic is gloomy but I have confidence that the American people will eventually awaken and will destroy the forces that seek to communize our Government.

Texas Steel Company. The company made a nice profit and now has a backlog of about 7,000 tons, and I think will have all the business it can handle during the coming year. It will complete its improvements in the early spring, and the prospect is that 1946 will be one of its best years. The Government has finally approved our tax refund claim of about $136,000 with interest, which should soon be paid.

TEXASTEEL MANUFACTURING COMPANY. The Trustee made a profit at Fort Worth and sustained a loss at Port Arthur. Shortly after the conclusion of the war the Port Arthur plant was turned over to the Navy for its operation. The Navy is due the Trustee a substantial sum for material, supplies, etc., which it took over at Port Arthur upon conclusion of the war, and the Army is due the Trustee for supplies, etc., which it took over at Fort Worth.

SEABOARD SURETY COMPANY SUITS. The Surety Company sued the Texasteel Manufacturing Company and its stockholders under the Declaratory Judgment Act. The U. S. District Court withdrew the case from the jury and gave an instructed judgment, from which we appealed. Thereafter, the Seaboard filed suit against the stockholders of the company upon its notes which had been executed solely for the accommodation of Seaboard's "Management Committee" operating the Port Arthur plant. The Court withheld judgment in this case pending the decision of the Circuit Court of Appeals in the former case.

ALLIANCE TRUST COMPANY CASE. At the time of my bankruptcy my Mississippi land was under mortgage to the Alliance Trust Company for $125,000, with a second mortgage in favor of the National Stockyards Bank. About 1923 the National Stockyards foreclosed its mortgage and the property was bought for $40,000, subject to the Alliance Trust Company's mortgage. This is a Scottish company. The loan was made at 7½ per cent, with 8 per cent after maturity. The annual interest then amounted to about $8,000 and the taxes to about $6,000. It was a desperate struggle to meet these payments, and I could not have done so except for Mr. Kirby's help.

[illegible]

[illegible]

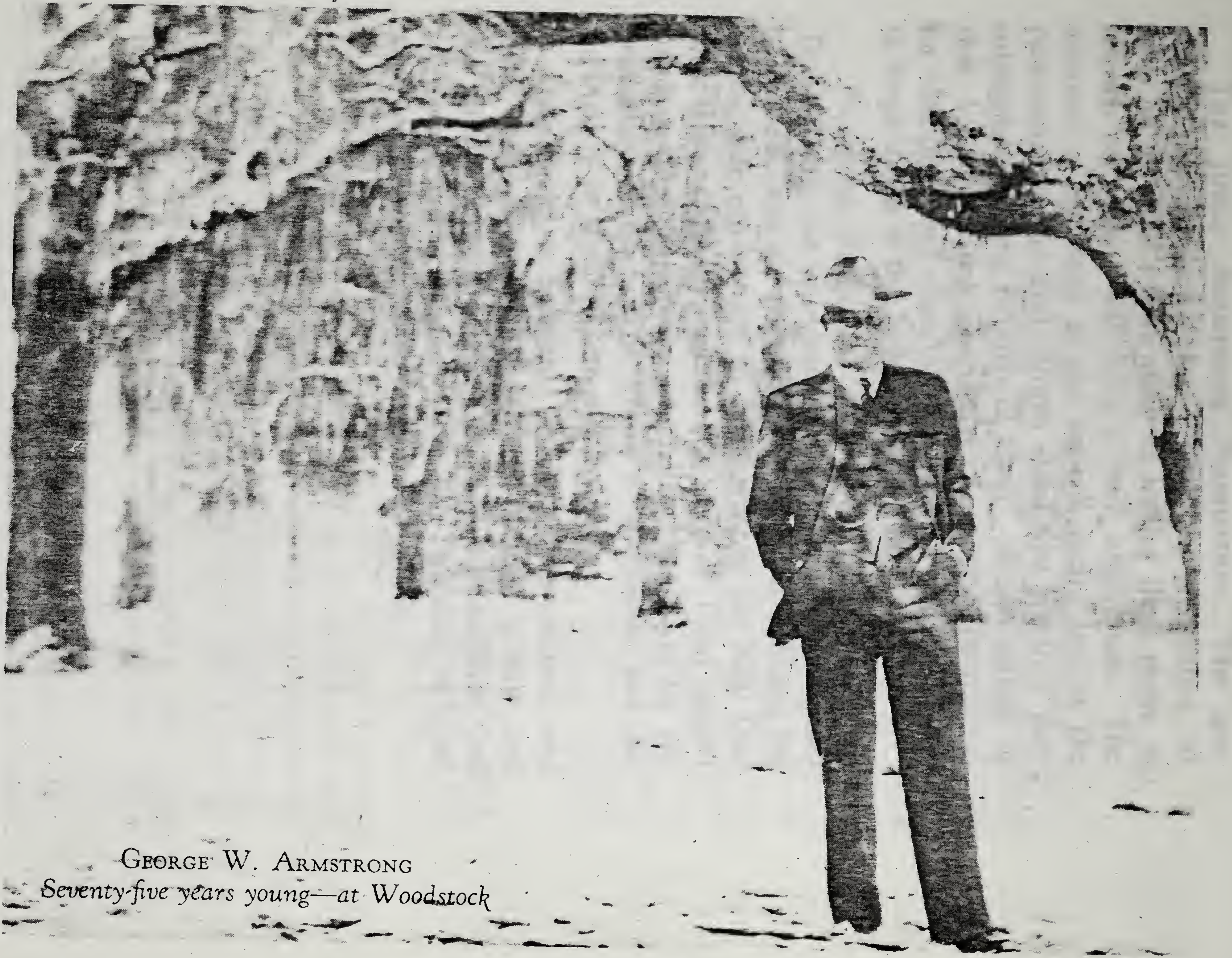
[illegible]

[illegible]

Following my bankruptcy the Alliance Trust Company agreed to reduce the rate of interest to 6 per cent, which agreement it did not respect. It made several attempts to foreclose its lien by advertising under the deed of trust and by suit in the United States District Court at Vicksburg and the Chancery Court of Adams County, which I resisted. The last suit was in the Chancery Court of Adams County and involved the validity of the 6 per cent agreement. It was the contention of the Alliance Trust Company that its agent did not have the authority to make the agreement and that it was without consideration. I won in the trial court but the case was reversed by the Supreme Court of Mississippi. I have paid the judgment, paying 8 per cent compound interest and attorneys' fees, the total amounting to $97,000, the greater part of which was interest and attorneys' fees—having previously made payments aggregating $292,500. Thus they collected a total of $389,500 for a loan of $125,000.

Other Lawsuits. I won the suit against the negro trespassers and their lessee to clear the title to 600 acres of my Rucker-Hurricane tract.

Oil Development. I sold my mineral interest of 64 acres in the Sandy Creek tract at Cranfield for $64,000. I still own royalty in the Mt. Welcome tract, from which I receive about $500 per month income. The California Company has brought in a good well on my Moss Grove plantation which should pay a substantial monthly royalty. I have leased Ellislie plantation to C. H. Osmond. Shieldsboro plantation is under lease to the Gulf Oil Company. The most important developments are the distillate wells of The Pure Oil Company and the Humble Oil & Refining Company, both wells being within three-quarters of a mile of my Woodyard plantation.



GEORGE W. ARMSTRONG
Seventy-five years young—at Woodstock

THE JUDGE ARMSTRONG FOUNDATION. The geophysical survey shows that I have six prospective oil fields on my land. If as many as half of them prove to be rich oil fields I will have a very large estate. The interests of my boys in the mineral estate and in the two companies at Fort Worth should be worth a very substantial amount to each of them. In anticipation of this, I have created The Judge Armstrong Foundation for charitable and educational purposes, with the object of bequeathing it the bulk of my fortune.

Pro Bono Publico. I did a little political work in Texas during the year but not as much as I anticipated or desired. It is my purpose to be more active during the coming year: to attempt to defeat some of the New Deal congressmen, and to organize the State of Texas against communism and against a communistic candidate for the presidency. I wrote The *March of Bolshevism*, and distributed it to the members of Congress.

My health is excellent. I am happily situated, and enjoy every minute of life. I do not appear to have lost any ground during the past year, with the exception that my hearing is not so good. I am still ambitious to be of some service to my country and to my family.

1946

Eighty Years of Age

January 1st, 1947. The congressional Pearl Harbor investigation resulted in another whitewash—the third one. President Truman vetoed the Case bill which provided for control and regulation of labor unions, with the result that we have had one strike after another during the year. I am happy to state that President Truman's Administration was repudiated by the voters in the November election, due largely to this veto and to his continuation of OPA (price fixing). The probability now is that there will be a real investigation of the Pearl Harbor disaster, that the OPA will be completely abolished and that we will return to Constitutional Government. The dark side of the picture is that both political parties appear to favor deflation and United Nations World Government.

Texas Steel Company. The company made a good profit during the first six months of the year and lost the greater part of it during the latter six months. This was due to a partial shut-down of the plant during the period of installing new equipment, and to the shortage of raw material. The installation of improvements is practically complete, the material shortage has been partially relieved, and the prospects for the New Year are very flattering.

Texasteel Manufacturing Company. The new trustee, Mr. R. O. Shaffer, has prepared our claim against the Government, for which he will sue if rejected. He has reduced expenses, but up to this time has lost money in operation. The prospects, however, are that he will be able to operate the plant profitably. I am very

1946

Eighty Years of Age

January 1st, 1947: The anticipated Post War reconversion resulted in [illegible] strikes [illegible] the country. President Truman vetoed the Case bill which provided for control and regulation of labor unions, with the result that we have had one strike after another during the year. I am happy to state that President Truman's Administration was repudiated by the voters in the November election, [illegible] of 1933 [illegible]. The probability now is that there will be a real investigation of the Pearl Harbor disaster, that the OPA will be completely abolished and that we will return to Constitutional Government. The dark side of the picture is that both political parties appear to favor [illegible] and United Nations World Government.

[illegible] *Company:* This company made a good profit during the first six months of the year but lost the greater part of it during the latter six months. This was due to a period of [illegible] during the period of installing new equipment, and to the shortage of raw material. The installation of improvements is practically completed, the material shortage has been partially relieved, and the prospects for the New Year are very [illegible].

[illegible] *Association:* The treasurer, Mr. [illegible] [illegible] against the [illegible] [illegible]. He has [illegible]. The prospects, however, are that we will be able to [illegible] the year [illegible]. I [illegible] well pleased with the change of trustees and am hopeful about the future of this company.

THE PURE'S DISTILLATE WELL. The most important event of the past year is a recently completed distillate well on my Woodyard plantation by The Pure Oil Company. This well has an estimated gas volume of upwards of 130 million feet, and is producing 100 barrels of 56 gravity distillate per million feet. I have approximately 8,000 acres lying south, southwest and southeast of this well that I have not yet leased but hope soon to lease at an increased royalty. Apparently the greater part of the Carthage Point field is on my land, since the Pure well is 30 feet higher than the Humble well three-quarters of a mile northeast, and 50 feet higher than the Pure's well on the Carthage tract three-quarters of a mile north.

FOUNDATION. *The Judge Armstrong Foundation* was incorporated by me in 1945 for charitable and educational purposes, and I have donated to it $11,000. I am revising my book, The *March of Bolshevism*, with the view of transferring it to the Foundation for publication and distribution. I am endeavoring to expose the sinister forces that seek to destroy our constitutional form of government, in the hope that this book may have some influence in preserving it.

CONCLUSION. I am happy to state that my health continues fine. I am still active, but have lost some of my zest for hunting and fishing. With the exception of a slight impairment of my sight and hearing, I appear to be in as good physical condition as at fifty, and am enjoying life more.

January 1st, 1948. There has been no investigation (by the Republicans) of the Pearl Harbor massacre. They have supported President Truman in his promotion of the United Nations, the Marshall Plan and the partition of Palestine. Both President Truman and the Republican candidates for the presidency are pandering to the negro and Jew vote; both favor the FEPC and abolishing our poll tax and segregation laws. The President appointed David Lillienthal and L. L. Strauss (of Kuhn, Loeb & Co.,) as members of the Atomic Commission, which Commission was confirmed by a republican dominated Senate. We are headed for another war.

SEABOARD LITIGATION. We appealed from the Seaboard judgment. The case was affirmed by the Circuit Court of Appeals and the U. S. Supreme Court without written opinions. I am informed the press reported that the Supreme Court held that the Government was not responsible for the contracts of the Navy. The judgment amounted to a total of $710,000 which was paid by my personal check for $85,000 and borrowing $625,000 from the Fort Worth National Bank upon our stocks, bonds, and oil properties, as security.

CALIFORNIA COMPANY SUIT. We have sued The California Company to cancel the oil lease on Moss Grove and Rucker plantations except as to 60 acres which has been developed. Negotiations are pending for the settlement of this case. I have proposed that The California may retain the lease by drilling four additional wells, or we will sell them our 1,201 acres of royalty.

OIL DEVELOPMENT. The outstanding event of 1946 was the discovery by The Pure Oil Company of the huge

[illegible]

January 1st, 195[illegible]. There has been no [illegible] [illegible] [illegible] [illegible]

[illegible] [illegible] [illegible] [illegible] Court of Appeals [illegible] [illegible] the Supreme Court [illegible] [illegible] the Fort Worth National Bank [illegible]

[illegible] Company [illegible] [illegible]

[illegible] The [illegible] [illegible] was the discovery by The Pure Oil Company of the [illegible] distillate well on my Woodyard plantation of 3,000 acres. The Pure has since drilled two additional wells equally as good, and is now building roads to two other locations, and plans to drill five additional wells, or a total of ten wells for the tract. I have agreed to lease 4,000 acres adjoining this tract to the Southern Production Company on a farm-out basis by which I contribute 50 per cent of the capital and am to receive 50 per cent plus one-eighth as royalty. This field appears to be a hundred million barrel field, and I appear to have about 80 per cent of it. I have accordingly increased my estimate of the value of my estate very materially over my estimate of last year.

Pro Bono Publico. I have published *World Empire*, and The *Marshall Plan Exposed*, and have prepared the manuscript for a supplement to *World Empire* which will soon be published; and have rewritten my Will, bequeathing the greater part of my estate to *The Judge Armstrong Foundation*. Gen. George Van Horn Moseley, my son A. J. Armstrong, and my grandson Beverley V. Thompson, Jr., will be the new trustees of my Foundation.

CONCLUSION. I hope that what I have done and am seeking to do is in obedience to God's will. I formerly doubted the fables of the Old Testament and the miracles of the New, but I now believe not only in God but in the divinity of Jesus Christ as His instrument to reform the world. He was a reformer and an anti-Semitic in that He protested the traditions and doctrines of the Talmud and of "the scribes and Pharisees and hypocrites." It was through His efforts and His teachings that Christianity—with its many denominations, Christian laws and governments and civilization—was established. He has given me the intelligence and the experience to understand the subject of money and the sinister control of it, and the will and courage to expose the evil. I can not attribute

the fortune that I have in prospect, to myself or to any cause other than God's direction.

* * *

January 26th, 1948. I supplement my 1947 statement as follows:

I am feeling fit and fine, on this my eighty-second birthday. Every organ of my body appears to be functioning normally except my hearing and eye-sight. My memory, particularly for names, does not seem to be quite so good, but it never was good enough to brag about. I am still keenly interested in my Government and the welfare of my family and friends, and still ambitious to be of service to my country.

The Seaboard case has finally been disposed of and we are left holding the bag. In the original declaratory judgment case we alleged, among other things, that the Seaboard's real purpose was to collect its claim against the *Fort Worth* plant of the Texasteel Manufacturing Company, in violation of the agreement by which we consented to the operation of the Port Arthur plant by a Management Committee of Seaboard's selection, and by which it was agreed that the *Fort Worth* plant of the Manufacturing Company would not be involved.

The Court struck out this plea and instructed the jury to find against us on all of the other issues of fact, in flagrant violation of our fundamental right to trial by jury. His judgment was affirmed by the Circuit Court *per curiam.*

After the judgment was affirmed by the Supreme Court of the United States we filed suit in the District Court of Jefferson County (at Beaumont), alleging the facts as stated in the original case, with other facts, and alleging that as a result of the Port Arthur operation

of the Management Committee the company had suffered a tremendous loss, for which we sued. The Seaboard then sued us in the U. S. District Court at Fort Worth for alleged expenses, attorney's fees, etc., and obtained an injunction restraining us from prosecuting the Beaumont suit; it also succeeded in removing our Beaumont suit to the United States Court in that District and in having the Fort Worth District Judge appointed to try the case, after he had retired on account of age. I concluded, however, to settle the two suits, which was done by dismissing the Beaumont suit and by payment to the Seaboard of a substantial sum as additional attorneys fees and expenses.

This settlement means but little to me personally, for I am getting old and have more estate than I can possibly use, except for public purposes. I, however, resent what I consider judicial tyranny and injustice. We have a just claim against the Government for more than the amount of this judgment, but I have no confidence in winning it before New Deal courts. The New Dealers have pretended to favor the small business man, but as I see it, it has been their fixed policy to bankrupt him.

1948

January 1st, 1949. The most important event of the past year was the completion of The Pure Oil Company's Armstrong well No. 4 near the center of my Woodyard plantation of 3,000 acres. It showed 103 feet of rich distillate sand with two shale breaks of about two feet each. It makes approximately 100 barrels of distillate to 1,000,000 feet of gas. The Pure plans to fully develop the lease, which will mean about five additional wells. It has located a well 3,000 feet west of Armstrong No. 2. The Sun Oil Company has located a well on the Willow Glen plantation near the southeast corner of Woodyard, and the Humble Oil Company has unofficially announced that it will drill a well on the Burns tract which jogs into my land on the west. The value of my interest in the Carthage Point field can be determined with some accuracy upon the completion of the above mentioned wells.

Real Estate. I have sold sixty acres of my 826 acres of Port Arthur land, and have paid the balance of the purchase price. The Highway Commission has advertised to receive bids for building a concrete road beginning at the northwest corner of my tract and connecting with Proctor Street, which is intended as the business route of the Galveston-Orange highway. I have donated a 100 foot right of way for that purpose. When this road is completed I plan to donate a public park, have the balance of the property platted and put it on the market.

I have about 40,000 acres of land in Adams, Wilkinson and Jefferson Counties, Mississippi, which is fully paid for. About 30,000 acres of this land is in growing young timber, and about one-half of the land is creek and river bottom land, the balance being hill land. I have recently

1948

January 1st, 1949. The most important event of the past year was the completion of The Pure Oil Company's Armstrong well No. 1 near the center of our Woodland plantation of 2,000 acres. It showed 100 feet of rich [illegible] sand and [illegible] feet each. It makes approximately 100 barrels of distillate or 1,000,000 feet of gas. The Pure plans to drill [illegible] the [illegible] well 1,000 feet [illegible] of Armstrong No. 1. The Pure Oil Company has drilled a well on our White Oak plantation near the southwest corner of Woodland, and the Humble Oil Company has officially announced that it will drill a well on the Brown tract which [illegible] The [illegible] Tuscaloosa [illegible]

Last October, I [illegible] acres of [illegible] of the [illegible] price. The Highway Department has [illegible] building a concrete road beginning at the [illegible] corner of my tract and connecting with [illegible] Street, which is [illegible] on the [illegible] of the [illegible] highway. I have donated a 100 foot right of way for that purpose. When the road is completed I plan to donate a public park [illegible] the balance of the property platted and put it on the market.

I have about 40,000 acres of land in Wilkinson, [illegible] and Jefferson Counties, Mississippi, which is fully paid for. About 30,000 acres of this land is in growing young timber, and about one-half of the land is [illegible] bottom land, the balance being hill land. I have [illegible] sold 120 acres of hill land. The International Paper Company has announced that it will build a twenty million dollar rayon pulp plant in the St. Catherine Creek valley, in which I have 11,000 acres. This should mean that a levee will be built around the land to protect it from overflow, and that it will eventually be the industrial addition to Natchez.

TEXAS STEEL COMPANY was handicapped during the entire year for rails. It has lost money on its billet steel, but after deducting losses has made a profit of more than $300,000. It now has on hand about three months supply of rails which cost approximately $70 a ton, and should make a nice profit during the coming year. TEXASTEEL MANUFACTURING COMPANY has probably made a small profit during the year, due principally to a contract with the John Deere Plow Company for the manufacture of farm implements. The prospects are that we will be able to re-organize the company on the basis of paying in full its debts, etc. This will depend to some extent on our settlement of a claim against the Government now in litigation in the Court of Claims. In case we are able to re-organize the company, it is my purpose to retire as Chairman of the Board of both the Texasteel Manufacturing Company and the Texas Steel Company, in favor of Allen and George respectively.

MISSISSIPPI PLANTATIONS. I have made fairly good corn, cotton, oat and soybean crops, and have got good prices for my crops, and for timber ($12 per thousand feet for all grades of ordinary timber); and have made a profit from crops and timber, after deducting the fire loss of my barn and contents estimated at $20,000.

LAWSUITS. We are now undertaking to negotiate a settlement with The California Company on the basis of its developing as much of its 2900 acre lease as it considers oil bearing, and surrendering the balance of it.

There appears to be a fair prospect of making this settlement. I undertook to negotiate a lease of 4,000 acres adjoining my Woodyard plantation on the south, to the Southern Production Company, on the basis of 50 per cent royalty plus one-eighth override and my joining them as operators. They tendered me a lease without providing for the 50 per cent royalty and I rejected it and returned it to them. They sent me another which I assumed corrected the error (but did not), which I signed. They are suing to compel me to execute such a lease. My oral depositions were taken on December 29th and the case should be tried within the next sixty days.

Pro Bono Publico. I published a pamphlet, *Traitors*, and have the manuscript for an addendum which I expect soon to publish. I was quite active in the promotion of the States Rights movement, wrote several articles on the subject and spent several thousand dollars in advertising them. I hope to be able to continue this work during the coming year, and that it may be effective.

PLANS FOR 1949. It is my purpose to rewrite and publish second editions of *World Empire* and The *Rothschild Money Trust*, and to develop my unleased, prospective oil lands. I hope to be able to provide adequate funds for my Foundation in order that it may assist writers, publishers, and other patriots who combat communism and seek to preserve our constitutional form of government. My principal activities, however, will be to do such things as may be in my power to *preserve Constitutional Government* and free our country from new dealism, socialism and communism.

My health is good. I feel fit and fine, both physically and mentally. I visited Battle Creek Sanitarium for a check-up and they found me in perfect condition and that I have a prospect of attaining one hundred years.

There appears to be a fair prospect of making the gold-mine. I purchased as [illegible] a tract of 4,000 acres adjoining the Woodland plantation on the north, to the Sanford [illegible] Company on the [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] should be fixed within the next sixty days.

The first [illegible] of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

[illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] new duties, pleasures and [illegible].

My health is good. I feel fit and keep both physically and mentally [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] I have a prospect of becoming one hundred years.

1949

January 26th, 1950. I have reluctantly concluded that the destruction of Constitutional Government is a serious threat. The President has now openly declared himself for a "Welfare State," and is seeking to establish it during his present term of office.

PLANS. The approaching election of congressmen is a very important one. I hope that I may be of some assistance in defeating the so-called "Fair Deal" congressmen and in preparing the ground for preserving our republican form of government.

OIL DEVELOPMENT. The most important events of the past year were the discovery of a Wilcox well on my Ellislie plantation in Adams County and a well on my Swayze or Hyde Park tract in Wilkinson County. They have been classed by the Mississippi Conservation Commission as two separate fields, the first being called the Armstrong field and the other the Possum Corner field. The Carthage Point field is being slowly developed. There is a great deal of development in prospect for the ensuing year. I have contracted for two additional wells on Washaway, and for a well on my Glen Aubin tract; the Danciger Oil Company has made a location for a second well on my Swayze tract; and the Gulf plans to develop my Shieldsboro plantation.

TEXAS STEEL COMPANY made a good profit during the year, and Texasteel Manufacturing Company a small profit. There has been no change in it except that there is a prospect of an early trial of our case against the Government. We are entitled to a judgment, or a settlement of our claim.

LAWSUITS. In the Southern Production Company case the Court rendered judgment establishing the validity of the contract and ordering me to lease the property at one-eighth royalty, and ordering the Production Company

to develop it and account to me for one-half the profits—from which judgment I appealed. The case is now pending in the U. S. Circuit Court of Appeals. I dismissed the suit for cancellation of the lease to The California Company, of my Moss Grove and Rucker plantations, and filed a new suit in the Chancery Court which is due for an early trial.

FOUNDATION. The tax exemption privilege granted my Foundation soon after it was established, was cancelled by the Government during the year, and a tax assessed against me for the year 1946; subsequent years are yet to be checked. I plan to pay this tax and sue for its recovery.

TEXAS EDUCATIONAL FOUNDATION. On November 14th, 1949, I organized a new corporation under the name of *Texas Educational Association*, for carrying out my plans for the support of Constitutional Government through educational media such as colleges, universities, etc. General George Van Horn Moseley has been elected president of it, the other trustees presently being George Jr., and my grandson Beverley V. Thompson, Jr. I have conveyed to this Association three-tenths mineral interest in my Mississippi properties.

JEFFERSON MILITARY COLLEGE. I proposed to donate five-tenths of my royalty interest plus 26,000 acres of land, to Jefferson Military College, on condition that it exclude persons of Asiatic and African descent, which the trustees of the school accepted. This provoked a violent attack on me by the Anti-Nazi League of B'nai B'rith, by the Jewish press and by certain radio commentators. I attach as a part of this memo my published statement regarding this attack, which was given wide distribution. (*See Chapter XVIII*).

My health is fine; and I continue to be an optimist despite the threat of communism.

1950

January 26th, 1951. I was correct in stating in my review one year ago that there is a serious threat to our constitutional form of government. The events of the past year have clearly established that fact.

THE "FAIR DEAL." President Truman has gotten us into a third world war. I did not do as much in the 1950 political campaign as I planned to to. The "Fair Deal" was repudiated, to the surprise of every one; and even in Ohio, where the labor organizations are strong and the national officers raised a huge campaign fund and took an active part in the campaign in an effort to defeat Senator Taft, co-author of the Taft-Hartley Act.

OIL DEVELOPMENT. Three oil fields were discovered on my land during the year, viz., Glen Aubin, New Era and Overton; and one adjacent to my land, Kingston. The Overton field promises to be the most important; it has two sands, one at 6290 feet and the other at the developed sand of 6518. Southern Production brought in a dry hole on the lease it obtained from the U. S. District Court as a result of the suit it brought against me.

TEXAS STEEL COMPANY and TEXASTEEL MANUFACTURING COMPANY. The Texas Steel Company made a substantial profit during the year. The stockholders of the Manufacturing Company submitted a plan of reorganization of this company which was approved by the Trustee, the Court, and all of the creditors. It will probably result in a new company to take over and operate the property of the Manufacturing Company. My enemies thought my undoing had been accomplished when the judgment was rendered in the Seaboard case, which, with attorney's fees, court costs, etc., amounted to

$710,000. The Court remarked at the time that it would probably break us, but by the grace of God it did not.

CALIFORNIA COMPANY CASE. We have had a lot of hard luck in getting a trial of this case (despite the fact that we are ready and anxious for a trial); due largely to the illness of the Judge and the defendant's attorneys. The trial was begun on two occasions and had to be postponed. The present situation is that the case will be called for trial on Monday, January 29th, and will probably then be set down for trial before a new Judge.

THE JUDGE ARMSTRONG FOUNDATION. I paid the Government the items the Revenue Department questioned, amounting to more than $20,000. Under the law I must wait six months before suing for its recovery. When the time has elapsed I will bring the suit. Until the question is settled I am making only small contributions to the Foundation, and it continues to operate in a limited way.

TEXAS EDUCATIONAL ASSOCIATION. This organization received from royalties during the year approximately $25,000, but it has not yet begun to function actively.

GIFTS OF LAND. I have given to my wife and children and some of my grandchildren, and to my farm manager Mr. Berryhill, a half interest in the greater part of my Mississippi land and the most valuable part of it, and have executed deeds to the remaining half-interest which I shall deliver later. This is on account of the gift tax. It is my purpose to pay the tax, but I desire to divide it into two payments.

CONCLUSION. My health is fine. I expect to be very active in Texas politics during the next two years.

ateness. The Court remarked at the time that it would probably dock me but all the same it cost it one [illegible].

Corporation Gymnasium Floor. — My fiasco with [illegible] the land [illegible] in putting a roof on this new concrete the floor was [illegible] and [illegible] by a [illegible]. The [illegible] under charge of the Judge and [illegible]. The trial was begun on [illegible] and then was postponed. The present situation is that the case will be called for trial on [illegible] and will probably then be sent down for trial before a [illegible].

Old [illegible] Proceedings. — I gave the [illegible] this case the [illegible] amounting to more than [illegible]. Under the [illegible]. When the case [illegible] I [illegible] the [illegible] in the [illegible] and it continued to operate in a limited way.

Trade [illegible]. — The [illegible] received from royalties during the year approximately [illegible].

[illegible]. I have given to my wife and children and some of my grandchildren, each in my lifetime, [illegible] a half interest in the greater part of my [illegible] and the most [illegible] part of it, and have executed deeds [illegible] the [illegible] which I shall [illegible]. This is an account of the gift tax. It is my purpose to give the rest [illegible] I desire to them in their own [illegible].

Conclusion. — My health is fair. I expect to be less active in [illegible] during the next few years.

1951

January 26th, 1952. The past year has been a most eventful one.

Liberty Manufacturing Company. The trusteeship of the Texasteel Manufacturing Company has been concluded and all of its outside creditors paid in full. This was accomplished by the Texas Steel Company purchasing its Fort Worth assets and my buying the Port Arthur assets. We organized the Liberty Manufacturing Company with a capital stock of $260,000, which acquired the Fort Worth plant and is operating it. I assigned my stock in the new company to Raymond C. Gee, Trustee, for the payment of the balance of my old debts.

Lawsuits. Southern Production Company sued me for one-half the cost (about $75,000) of its dry hole, drilled on my Ivanhoe plantation, in the U. S. District Court in Mississippi. The suit is pending. My case against The California Company is also pending. I hope to get trials of these cases soon.*

Stroke of Paralysis. On November 4th I was stricken with paralysis of my left side. It followed my reading an article entitled "Kol Nidre" published in the patriotic magazine, *Common Sense.* While I had read something of the "Kol Nidre" oath, I did not know that

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*July 26th, 1954.—During the recent trial of my suit against The California Company, at Natchez, The California made an offer of settlement through George and Ogden who drove out to Woodstock to advise me of it. They urged me to accept it, but I turned the proposition down cold. Later, Mary suggested that they each re-state to me their respective reasons for recommending my acceptance of it. After hearing them out, and giving the matter further thought, I agreed to accept the offer with a few minor changes. It is not a fair settlement, but "a bad compromise is better than a good lawsuit," and I'm glad to have it behind me.

it was a part of the Jewish religion and of their celebration of the Day of Atonement—a vow taken, it is said, by practically all orthodox Jews.

After lunch I lay down to take my usual afternoon nap, thinking about the "*Kol Nidre*" and wondering whether it was influencing President Truman's Administration, since it is governed by Jews. I realized how helpless we are with the Jews in control of the press, the radio, railroads, our financial system and principal industries, and our political parties and Government.

When I awoke from my nap I could not move my left arm or leg, or my body. This attack of partial paralysis was painless, but two weeks later I suffered a severe attack of pleurisy with much pain, followed by pneumonia. Immediately after I was stricken with paralysis I was removed to the local hospital under the care of our family physician, with Allen's doctor as consultant; and during my prolonged illness they in turn called in other prominent physicians of Fort Worth and Jackson.

While I had registered nurses around the clock, my devoted wife Mary was my principal nurse, night and day, at the hospital and since at home. I returned to Woodstock January 3rd, and now on my eighty-sixth birthday I am able to walk with assistance, to turn over in bed, and am able to use my left arm and hand. God has been good to me.

at that a part of the Jewish religion and of their [illegible] [illegible] of the Day of Atonement as a new nation, it is [illegible] [illegible] [illegible] [illegible] group.

After lunch I lay down to take my usual afternoon nap, thinking about the "Kol Nidre" and wondering whether it was influencing President Truman's Palestine [illegible], since it is [illegible] by Jews. I realized how [illegible] [illegible] [illegible] the [illegible] [illegible] of the [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] and the [illegible] [illegible] and [illegible].

When I awoke I [illegible] [illegible] I could not move my left arm or leg, or my [illegible]. The [illegible] of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]. Immediately after I [illegible] [illegible] [illegible] [illegible] I was removed to the [illegible] [illegible] under the care of [illegible] [illegible] [illegible], with [illegible] [illegible] [illegible] [illegible] and [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible].

While I had [illegible] [illegible] [illegible] [illegible] the [illegible], [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] of the [illegible] [illegible] [illegible] [illegible]. I returned to Washington January [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] I was able to walk with [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] able to use my left arm and hand. God has been good to me.

1952

January 26th, 1953. As far as possible I have been inactive during the past year. The doctors informed me that my stroke of paralysis was due to a blood clot on the brain, which in turn was due to over-work; and hence I have tried to quit work.

Allen's untimely death occurred July 25th. He was a splendid character: a man of high principle and good impulses, and a fine son.

The Texas Steel Company's earnings during the year were very substantial, and upon which it is due taxes to the Government of about $665,000.

Other important events of the year have been the discovery of oil on my Commencement and Egypt plantations, in the Wilcox zone.

I have spent much of the year seeking recovery: about six weeks at the Battle Creek Sanitarium at Battle Creek, Michigan, a while at the Mayo Clinic in Rochester, Minnesota, and a short time at both Hot Springs, Arkansas, and Mineral Wells, Texas. I am now in excellent health and slowly recovering from my stroke. I plan during the ensuing year to complete the book I was writing when I was stricken in 1951, and to then quit work and live a quiet, happy life with my sweet, devoted wife.

1953

March 18th, 1954. I have adhered religiously to the program outlined in my review January 26th, 1953, viz., to quit work. I made a few oil leases at 25 per cent royalty; and have paid the balance of the Fort Worth National note representing the judgment of the Seaboard Surety Company.

New Oil Fields. There have been two profitable oil fields developed on my property in the Wilcox formation, viz., the Sunnyside field (on my Hard Times plantation in Jefferson County, and Forrest Home tract in Adams County); and Mandamus field on Mandamus and Luce Tract.

Finances. I have substantial bank balances, and I owe no debts. Both the Texas Steel Company and Liberty Manufacturing Company had profitable years, but not so good as 1952.

Lawsuits. The hearing was held in Dallas on the threatened suit by the Treasury Department for an increase in the gift tax on account of my gifts of land to my wife, my children and others, one-half interest having been conveyed in 1950 and the balance in 1951. The Government sought to increase my valuation to the extent that it would mean an additional gift tax of about $51,000. The case was settled for a nominal sum.

Health. My health is good. I have no pain, and sleep well—I think an average of ten hours out of the

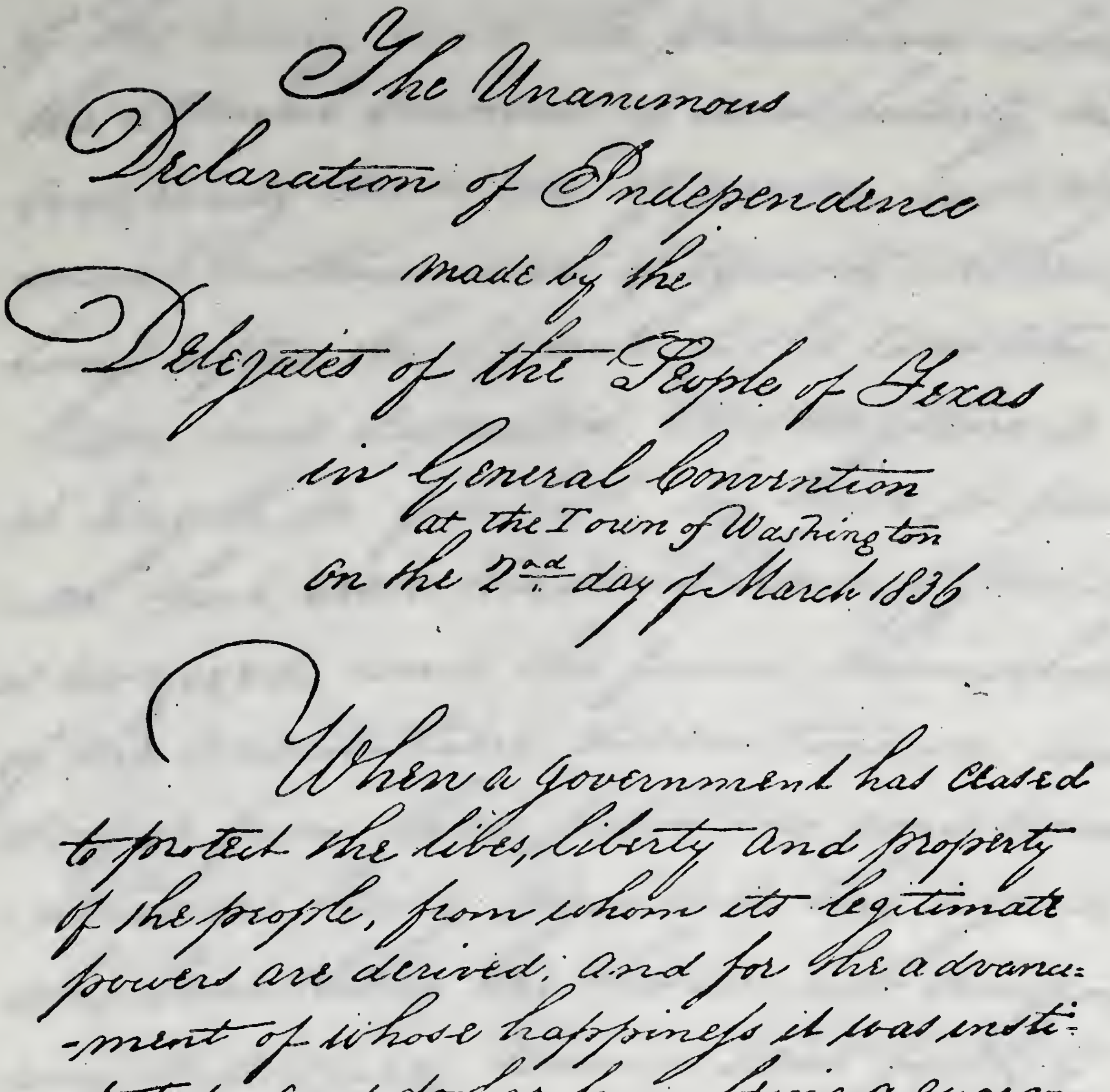
twenty-four. I hope to be able to finish the job of writing that I was working on when stricken.

God has been good to me. My stroke of paralysis was and is a great handicap, but I have been left with enough intelligence and strength to handle my affairs, for which I am profoundly grateful, and thank God.

TEXAS DECLARATION

OF

INDEPENDENCE



The Unanimous
Declaration of Independence
made by the
Delegates of the People of Texas
in General Convention
at the Town of Washington
on the 2nd day of March 1836

When a government has ceased to protect the lives, liberty and property of the people, from whom its legitimate powers are derived; and for the advancement of whose happiness it was instituted; and, so far from being a guarantee for the enjoyment of those inestimable and inalienable rights, becomes an, instrument in the hands of Evil rulers for their oppression; – When the Federal Republican Constitution of their Country, which they have sworn to support, no longer has a Substantial Existence. And the whole nature of their Government has been forcibly changed, without their consent, from a Restricted federative Republic, Composed of Sovereign States, to a Consolidated.

Central military despotism in which every interest is disregarded but that of the army and the priesthood - both the eternal enemies of civil liberty, the everready minions of power, and the usual instruments of tyrants: When, long after the Spirit of the Constitution has departed, Moderation is at length, so far lost by those in power that even the semblance of freedom is removed, and the forms, themselves, of the Constitution discontinued; and so far from their petitions and remonstrances being regarded the agents who bear them are thrown into dungeons; and mercenary armies sent forth to force a new Government upon them at the point of the bayonet. When in Consequence of such acts of Malfeasance and abdication on the part of the Government. Anarchy prevails, and civil Society is dissolved into its original Elements. In such a crisis, the first law of Nature, the right of self-preservation - the inherent and inalienable rights of the people to appeal to first princi-

ples and take their political affairs into their own hands in extreme cases Enjoins it as a right towards themselves and a sacred obligation to their posterity to abolish Such Government and Create another in its Stead, Calculated to rescue them from impending dangers, and to Secure their future welfare and happiness.

Nations, as well as individuals, are amenable for their acts to the public opinion of mankind. A Statement of a part of our grievances is, therefore, submitted to an impartial world, in justification of the hazardous but unavoidable Step now taken of severing our political Connection with the Mexican people, and assuming an independent attitude among the nations of the earth.

The Mexican government, by its Colonization laws, invited and induced the Anglo-American population of Texas to colonize its wilderness under the pledged faith of a written Constitution that they should continue to enjoy that Constitutional liberty and republican government to which they had

been habituated in the land of their birth, the United States of America. In this expectation they have been cruelly disappointed, inasmuch as the Mexican nation has acquiesced in the late changes made in the Government by General Antonio Lopez de Santa Anna, who having overturned the Constitution of his Country, now offers us the cruel alternative either to abandon our homes acquired by so many privations, or submit to the most intolerable of all tyrany, the combined despotism of the Sword an the priesthood.

It has sacrificed our welfare to the State of Coahuila, by which our interests have been continually depressed through a jealous and partial course of legislation carried on at a far distant seat of government by a hostile majority, in an unknown tongue; and this too, notwithstanding we have petitioned in the humblest terms, for the establishment of a separate State Government, and have, in accordance with the provisions of the national Constitution, presented

to the general Congreſs a republican Constitution which was without just Cause Contemptuously rejected.

It incarcerated in a dungeon, for a long time, one of our citizens, for no other Cause but a Zealous Endeavour to procure the acceptance of our Constitution and the establishment of a State Government

It has failed and refused to secure on a firm basis, the right of trial by jury, that palladium of Civil liberty, and only safe guarantee for the life, liberty, and property of the Citizen.

It has failed to establish any public System of Education, although poſseſsed of almost boundleſs resources (the public domain) and, although it is an axiom, in political Science, that unleſs a people are Educated and Enlightened it is idle to Expect the Continuance of Civil liberty, or the Capacity for Self Government.

It has suffered the Military Commandants stationed among

us to exercise arbitrary acts of oppreſsion and tyranny; thus trampling upon the most Sacred rights of the Citizen and rendering the military superior to the Civil Power.

It has diſsolved by force of arms, the State Congreſs of Coahuila and Texas, and obliged our representatives to fly for their lives from the Seat of government; thus depriving us of the fundamental political right of representation.

It has demanded the surrender of a number of our citizens, and ordered military detachments to seize and carry them into the Interior for trial; in Contempt of the Civil authorities, and in defiance of the laws and the Constitution

It has made piratical attacks upon our Commerce, by Commiſsioning foreign desperadoes, and authorizing them to seize our veſsels, and convey the property of our citizens to far distant ports for Confiscation.

It denies us the right of worshipping the Almighty according to the dictates of our own Conscience, by the support of a National Religion calculated to promote the temporal interest of its human functionaries rather than the Glory of the true and living God.

It has demanded us to deliver up our arms; which are essential to our defence, the rightful property of freemen, and formidable only to tyrannical Governments.

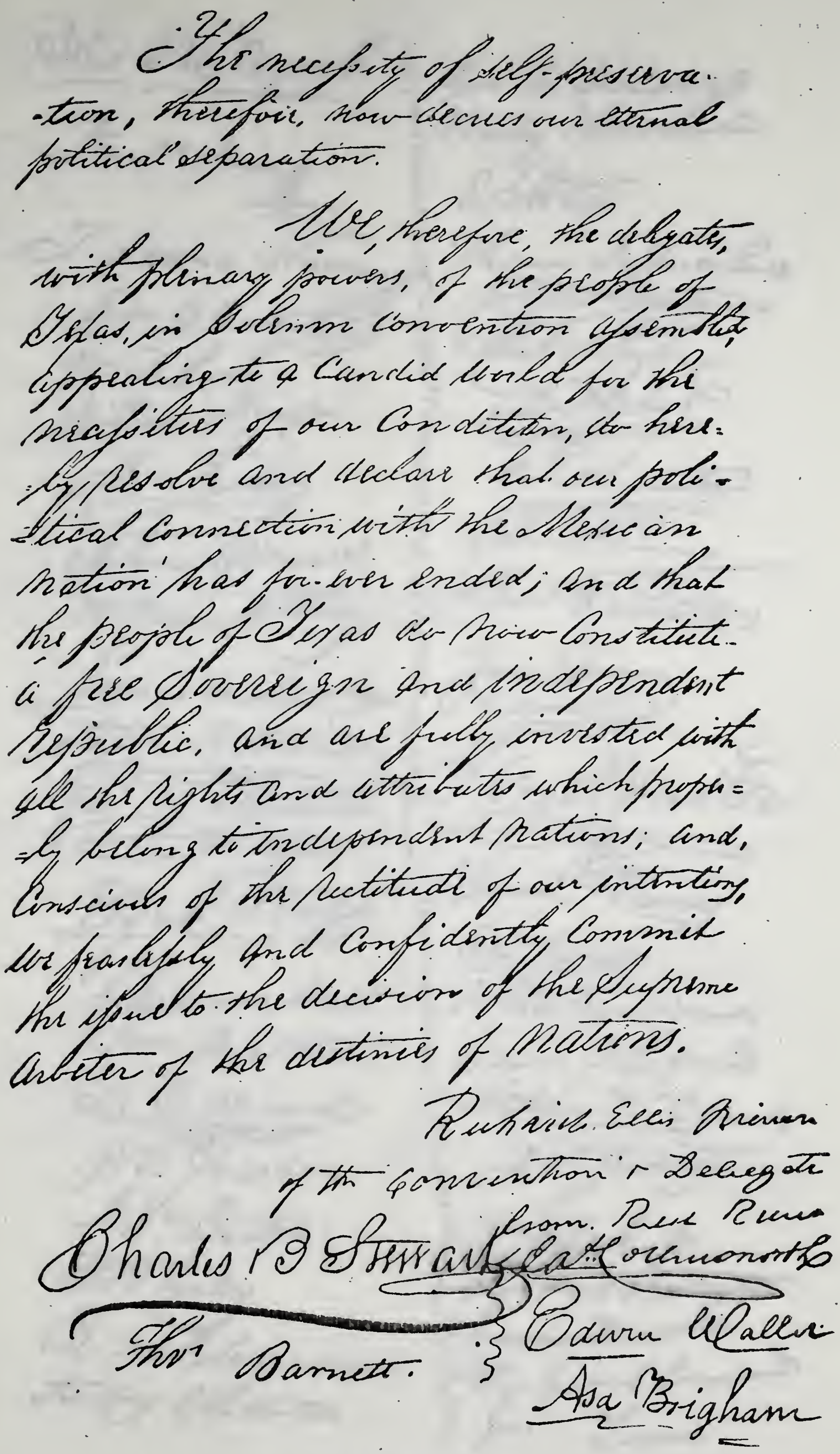
It has invaded our Country both by Sea and by land, with intent to lay waste our territory and drive us from our homes; and has now a large mercenary army advancing to Carry on against us a War of extermination.

It has, through its Emissaries, incited the merciless Savage, with the tomahawk and Scalping knife, to massacre the inhabitants of our defenseless frontiers

It hath been, during

the whole time of our connection with it, the contemptible sport and victim of successive military revolutions; and hath continually exhibited every characteristic of a weak, corrupt, and tyranical government.

These, and other grievances, were patiently borne by the people of Texas untill they reached that point at which forbearance ceases to be a virtue. We then took up arms in defence of the national constitution. We appealed to our Mexican bretheren for assistance. Our appeal has been made in vain Though months have elapsed, no sympathetic response has yet been heard from the Interior. We are, therefore, forced to the melancholy conclusion that the Mexican people have acquiesced in the distruction of their liberty, and the substitution therfor of a military government —that they are unfit to be free and incapable of self government.



The necessity of self-preservation, therefore, now decrees our eternal political separation.

We, therefore, the delegates, with plenary powers, of the people of Texas, in solemn convention assembled, appealing to a candid world for the necessities of our condition, do hereby resolve and declare that our political connection with the Mexican nation has for-ever ended; and that the people of Texas do now constitute a free Sovereign and independent Republic, and are fully invested with all the rights and attributes which properly belong to independent nations; and, conscious of the rectitude of our intentions, we fearlessly and confidently commit the issue to the decision of the Supreme Arbiter of the destinies of Nations.

Richard Ellis President of the Convention & Delegate from Red River

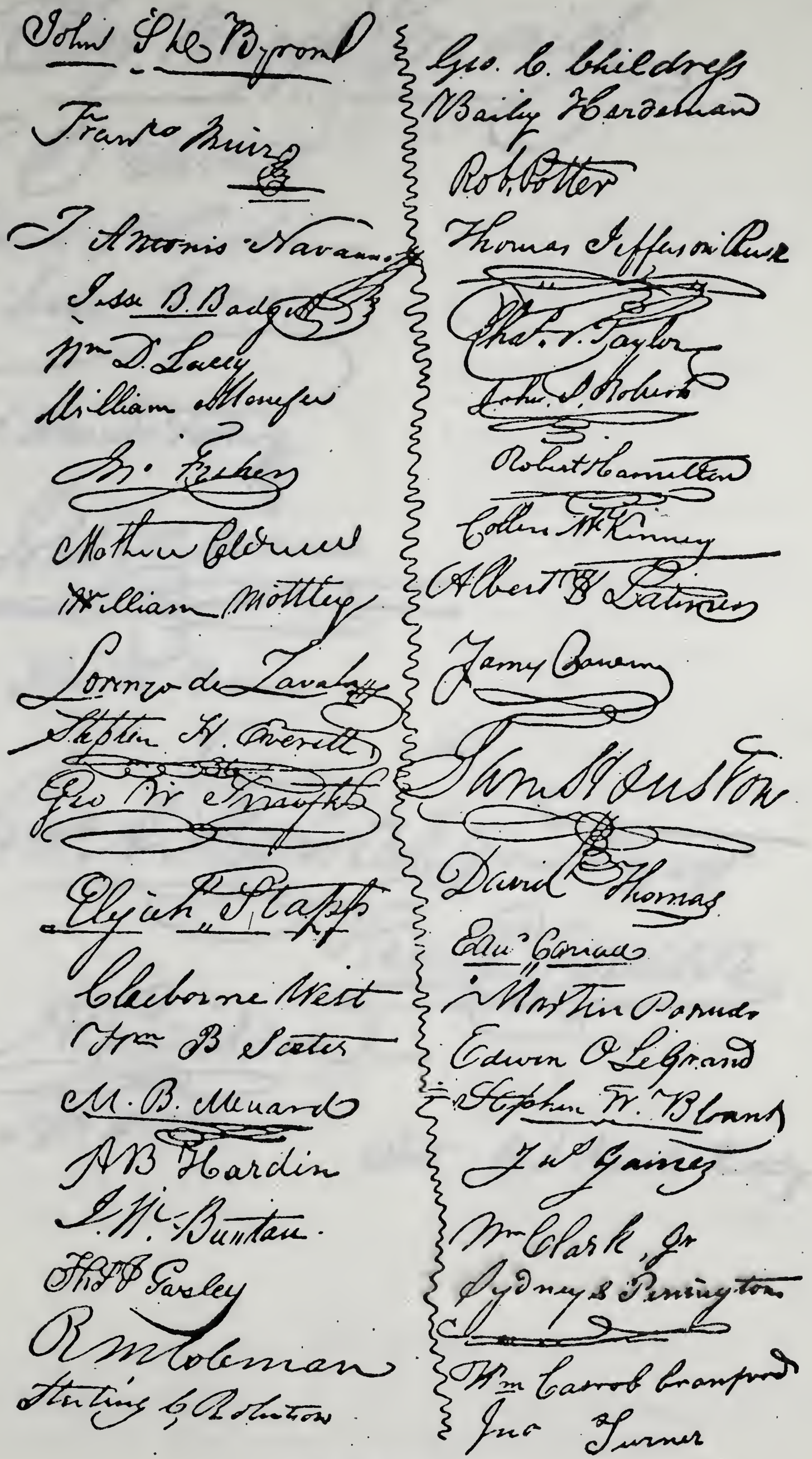
Charles B Stewart

Thos Barnett

Jas Collinsworth

Edwin Waller

Asa Brigham



John S. D. Byrom

Franco Ruiz

J. Antonio Navarro

Jesse B. Badgett

Wm D. Lacey

William Menefee

Jn. Fisher

Mathew Caldwell

William Motley

Lorenzo de Zavala

Stephen H. Everett

Geo W Smyth

Elijah Stapp

Claiborne West

Wm B Scates

M. B. Menard

A B Hardin

J. W. Bunton

Thos J Gazley

R M Coleman

Sterling C. Robertson

Geo. C. Childress

Bailey Hardeman

Robt Potter

Thomas Jefferson Rusk

Chas. S. Taylor

John S. Roberts

Robert Hamilton

Collin McKinney

Albert H. Latimer

James Power

Sam Houston

David Thomas

Edwd Conrad

Martin Palmer

Edwin O. LeGrand

Stephen W. Blount

Jas Gaines

Wm Clark, Jr

Sydney O. Penington

Wm Carrol Crawford

Jno Turner

Benj.a Briggs Goodrich

G. W. Barnett

James G. Swisher

Jesse Grimes

S. Rhoads Fisher

John W. Moore

John W Bower

Test

Saml. A. Maverick (from Bejar)

Sam P. Carson

A. Briscoe

J. B. Woods

Test H. S. Kimble Secretary

*Signers**

Richard Ellis, President
of the Convention, and Delegate
from Red River (Va.)

Badgett, Jessi B. (N.C.)
Barnett, G. W. (S.C.)
Barnett, Thos. (Ky.)
Blount, Stephen W. (Ga.)
Bower, John W. (Ga.)
Brigham, Asa (Mass.)
Briscoe, A. (Miss.)
Bunton, J. W. (Tenn.)
Byrom, John S. D. (Ga.)
Caldwell, Mathew (Ky.)
Carson, Sam P. (N.C.)
Childress, Geo. C. (Tenn.)
Clark, Wm., Jr. (N.C.)
Coleman, R. M. (Ky.)
Collinsworth, Jas. (Tenn.)
Conrad, Edw. (Pa.)
Crawford, Wm. Carrol (N.C.)
Everitt, Stephen H. (N.Y.)
Fisher, Jno. (Va.)
Fisher, S. Rhoads (Pa.)
Gaines, Jas. (Va.)
Gazley, Thos. J. (N.Y.)
Goodrich, Benj. Briggs (Va.)
Grimes, Jessee (N.C.)
Hamilton, Robert (Scotland)
Hardeman, Bailey (Tenn.)
Hardin, A. B. (Ga.)
Houston, Sam (Va.)
Lacey, Wm. D. (Va.)
Latimer, Albert H. (Tenn.)
LeGrand, Edwin O. (N.C.)
McKinney, Collin (N.J.)
Maverick, Sam A. (S.C.)
Menard, M. B. (Canada)
Menefee, William (Tenn.)
Moore, John W. (Pa.)
Mottley, William (Va.)
Navarro, J. Antonio (Tex.)
Parmer, Martin (Va.)
Penington, Sydney O. (Ky.)
Potter, Rob. (N.C.)
Power, James (Ireland)
Roberts, John S. (Va.)
Robertson, Sterling C. (Tenn.)
Ruiz, Franco. (Tex.)
Rusk, Thomas Jefferson (S.C.)
Scates, Wm. B. (Va.)
Smyth, Geo. W. (N.C.)
Stapp, Elijah (Va.)
Stewart, Charles B. (S.C.)
Swisher, James G. (Tenn.)
Taylor, Chas. S. (Eng.)
Thomas, David (Tenn.)
Turner, Jno. (N.C.)
Waller, Edwin (Va.)
West, Claiborne (Tenn.)
Woods, J. B. (Ky.)
de Zavala, Lorenzo (Yucatan)

Test.
H. S. Kimble, Secretary (N.C.)

**The abbreviation of a state or country following each name denotes the former place of residence of that signer.*

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